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Daily Report

Central Eurasia

FBIS-SOV-94-133
Tuesday
12 July 1994

Daily Report
Central Eurasia

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ITAR-TASS Carries Press Review for 12 Jul

LD1207062394 Moscow ITAR-TASS in English 0610 GMT 12 Jul 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow, July 12 (TASS)—The recently-ended Group-of- Seven (G-7) summit in Naples, the results of presidential elections in Ukraine and Belarus, and the death of North Korean leader Kim Il- song are leading topics in Moscow-based newspapers on Tuesday.

ROSSIYSKAYA GAZETA frontpages an exclusive interview with Boris Yeltsin on the results of the G-7 summit in Naples. The Russian president pointed out that the Naples summit was a qualitatively new stage of cooperation and that international political problems were for the first time considered in a "G-8 political format" on a full parity basis.

The second distinguishing feature of the summit, Yeltsin believes, was that Russian reforms were discussed on a G-8 basis, not according to the "seven plus one" formula as previously was the case. "This is the recognition of the fact that success of our reforms meets the common interests of the entire world community. Everyone came to realise that Russia's integration into the group meets the lasting interests of the G-7," the Russian president said.

ROSSIYSKIYE VESTI writes that leading political scientists point out in comment on the G-7 summit in Naples that Boris Yeltsin's participation in the talks on global problems on Sunday "is the latest step towards closer but not complete integration of Russia into political structures where the West predominates. Western countries were faced with a difficult task—to admit Russia to the circle and at the same time keep her at a distance. Moscow acted sober-mindedly and pragmatically".

The newspaper believes that "the political discussion in Naples became a greater event than the economic one, precisely due to our country's participation".

NEZAVISIMAYA GAZETA carries an account of the Naples summit under the headline "Russia Did Not Ask for Money".

PRAVDA is of the opinion that the Naples summit ended without sensations. The outcome of the summit for Russia "remains quite vague, just as, perhaps, for G-7 countries themselves, too. In a word, the game ended in a draw, with everyone holding to one's own".

KRASNAYA ZVEZDA (RED STAR), in a dispatch from Naples, reports, referring to reliable sources, that Italian Prime Minister Silvio Berlusconi "suggested creating a peacekeeping rapid-reaction corps which would act on the sanction of the United Nations Security Council with operational control from NATO and the European Council. The corps could involve armed contingents from those Eastern European countries which signed NATO's Partnership-for-Peace Programme".

NEZAVISIMAYA GAZETA writes that the presidential election triumphs of Leonid Kuchma in Ukraine and Aleksandr Lukashenko in Belarus have shown that "the old elites have practically lost control over the situation and are now unable to hold on to power and have to cede it to new people and new groups in this or that way.

"This was particularly manifest in Belarus and less so in Ukraine, since Leonid Kuchma comes from the same party as Leonid Kravchuk but represents a different wing which is concentrated mainly in the corridors of the military-industrial complex of their country".

Touching upon a question of real relationship with Russia, the question which is "complex and important" to Kuchma, the newspaper recalls that his entire election campaign was built on the need to improve relations with the eastern neighbour and on such an economic union which would enable Ukraine to get certain privileges in contacts with the Russian Federation.

The coming months will show to what extent "Moscow is prepared to accept Leonid Kuchma's challenge and to what extent the new administration's integration desires would coincide not so much with Moscow's wishes as with its possibilities".

ROSSIYSKIYE VESTI queries: Will Lukashenko be able to become an independent political figure, distancing himself from forces that helped him to win the elections?

"Those forces are heterogeneous but are full of vigour and determination to replace the old-guard party appointees kept by Vyacheslav Kebich at many key positions in the state machinery".

PRAVDA points out that the success of Kuchma and Lukashenko is accounted for by the fact that "gravitation towards Slavic unity turned out to be irresistible, and dislike for those who by word, deed or presence participated in the dismantling of the Soviet Union proved too strong".

SOVETSKAYA ROSSIYA carries an article by Russian Liberal Democratic Party leader Vladimir Zhirinovsky on the problems of Russia's agriculture. He states that "to disrupt the agrarian sector is a crime. The rural workers do not need any help. What they need is normal prices for their produce. This equally applies to collectively- and individually-operated farms".

KRASNAYA ZVEZDA, in an afterword to the recently-ended joint exercises of Russian and French paratroopers near Pskov, writes that this experience has convincingly proved the needfulness of such joint exercises with servicemen of other countries.

"When servicemen, who took oaths of allegiance under different state flags, find themselves in one line, it is more difficult for them to visualise one another as enemies. It is better to be partners, companions".

Reportage on PRC Defense Minister's Visit

To Sign Agreement on Nonuse of Force

LD1107140894 Moscow INTERFAX in English 1312 GMT 11 Jul 94

[Text] Russian and Chinese Defense chiefs Pavel Grachev and Chi Haotian are due to meet on Tuesday to sign a bilateral agreement on the prevention of dangerous military activity, one Russian diplomat told INTERFAX.

The two countries will be committed not to threaten the use of force in the event of a dispute between them and to resort to diplomacy instead.

The signatories are to ensure safety measures during routine military activities (field firing, military exercises and aircraft flights).

Other types of dangerous activity include the incursion by their armed forces into each other's territory or their warships into territorial waters temporarily declared as dangerous.

Russia and China committed not to jam each other's radar systems.

Apart from formal talks with Grachev, the Chinese defense minister who arrived in Moscow on Monday is scheduled to visit the Russian Chief of Staff's Military Academy and a motorized brigade as well as go on sightseeing tours of Moscow, St. Petersburg, and Sochi. He is due to fly home on Friday.

Program for Visit Noted

PM1107123994 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 94 p 2

[Report by Russian Federation Defense Ministry Information and Press Directorate: "Official Visit"]

[Text] Colonel General Chi Haotian, PRC minister of national defense, is arriving in Russia on an official visit 11 July. It is planned that during the visit he will have talks with Army General P. Grachev, Russian minister of defense, and that the two countries' defense ministers will sign the "Agreement Between the Russian Federation Government and the PRC Government on Preventing Dangerous Military Activity."

The visit's program also makes provision for the Chinese guest to visit the General Staff Military Academy and a motorized infantry brigade and to see the sights of Moscow, St. Petersburg, and Sochi. The visit will continue through 16 July.

Military Agreement Signed

LD1207095094 Moscow ITAR-TASS World Service in Russian 0906 GMT 12 Jul 94

[By ITAR-TASS correspondents Vladimir Gondusov and Vladimir Fedoruk]

[Text] Moscow, 12 Jul—An intergovernmental agreement on the prevention of dangerous military activity has been signed today by Russian Defense Minister Pavel Grachev and Chinese National Defense Minister Chi Haotian. The document envisages the prevention of incidents between the armies of the two countries should they unexpectedly arise during the everyday activity of troops—the unintentional crossing of the border by military aircraft and vessels, the accidental launch of missiles, etc. The agreement is effective from the moment it is signed.

Pavel Grachev told correspondents that this is a great step in the development of cooperation and mutual understanding in the military sphere of the two neighboring states, whose common border is more than 4,000 km long.

[Moscow ITAR-TASS in English at 0921 GMT on 12 July carries a variant item by ITAR-TASS correspondents Vladimir Gondusov and Vladimir Fedoruk as follows:

"[Text] Moscow July 12 TASS—An intergovernmental agreement on the prevention of dangerous military activity was signed here today by the defence ministers of the Russian Federation and China. Pavel Grachev and Chi Haotian exchanged the pens with which they signed this significant document.

"The agreement provides for the prevention of incidents between the armies of the two countries which may occur unexpectedly in the course of their casual activity, such as unintentional crossing of the borders by combat aircraft or ships, unsanctioned missile launches, the use of lasers which can inadvertently do harm to the other side, jamming control networks, etc.

"The document sets forth in detail the mechanism of mutual security and comes in force from the moment of signing. However, the sides will hold a meeting a year after the signing to review the implementation of the agreement and decide on ways of ensuring a higher level of mutual understanding.

"Russia has already signed similar agreements with the United States, Canada and Greece."]

Further on Signing

LD1207101794 Moscow ITAR-TASS in English 0959 GMT 12 Jul 94

[By ITAR-TASS correspondents Vladimir Gondusov and Vladimir Fedoruk]

[Excerpts] Moscow July 12 TASS— An intergovernmental agreement on the prevention of dangerous military activity was signed here today by the defence ministers of the Russian Federation and China. [passage omitted]

Pavel Grachev told journalists after the signing that the present agreement marks yet another step in strengthening security and building up mutual trust between the neighbouring countries, the border between which extends for over four thousand kilometers.

Grachev noted that relations between China and Russia are getting stronger from year to year. "We now have more contacts, more meetings, more confidence in each other," Pavel Grachev said.

The Chinese defence minister, Chi Haotian, also praised the importance of the document signed in Moscow. Responding to a question from ITAR-TASS, the Chinese minister stressed that the agreement was a guarantee of long-term friendly relations between the two great powers. He expressed the hope that the Chinese- Russian border will be a border of peace, friendship and prosperity, which will help to strengthen security and stability not only of the two countries but also of other states of the Asian-Pacific region and the entire world.

Informed sources told ITAR-TASS that during the conversation between the military delegations of Russia and China, Moscow's readiness was confirmed to help train Chinese military specialists, including for work with modern Russian military equipment, including the SU-27 fighter-plane and the missile complex S-300.

The Chinese minister is planning to meet Russian Government members and the heads of the two parliament chambers on Tuesday.

In the course of the visit, which will last six days, Colonel-General Chi Haotian will visit the military academy of the general staff, a motor-rifle brigade and see the sights in Moscow, St. Petersburg and Sochi.

IZVESTIYA Correspondent on Visit

LD1207091394 Moscow Radio Rossii Network in Russian 0800 GMT 12 Jul 94

[Text] China's Defense Minister Chi Haotian is visiting Russia. On the phone with the details is IZVESTIYA's Beijing correspondent Vladimir Skosyrev.

[Skosyrev] Exchanges between the two powers' military authorities have become regular fixtures. They take place on the basis of a cooperation agreement between the defense ministries signed last year during a visit to China by [Russian Defense Minister] General Pavel Grachev. As the agreement was being signed, Japan and also Western countries voiced concern that Russia and China might be reviving the military alliance that once bound Moscow and Beijing.

During meetings with Russian correspondents, Gen. Grachev tried to dispel these worries, explaining that the agreement primarily entails reciprocal visits by military delegations at various levels, and establishing direct contact between the commanding officers of adjacent military districts. That is, it was a confidence-building exercise between the commanders of two armies, that only some six years ago were eyeing each other through gunsights.

Chi Haotian's visit will help advance border detente. While he is in Moscow, an agreement on preventing hazardous military activities is expected to be signed. This is a standard document that details what each side should do in an extraordinary situation. For example, the instruments fail on a Russian bomber and it strays into Chinese air space. The agreement sets out what signals—in English—the Russian crew should send to Chinese ground controllers, and how the Chinese air defenses should react.

Russian diplomats in China are saying that, although the new document affects the military, it will also have a positive impact on political relations between the two powers.

Yeltsin Affirms Support for African Development

LD1207082994 Moscow ITAR-TASS World Service in Russian 0710 GMT 12 Jul 94

[By ITAR-TASS diplomatic correspondents Boris Krivoshey and Aleksandr Krylovich]

[Text] Moscow, 12 Jul (ITAR-TASS)—Africa was and remains a priority for Russian foreign policy. Russia is open to developing and to deepening relations of friendship and multifaceted mutually beneficial cooperation with African states, according to a message from Russian President Boris Yeltsin to participants in a conference of Russian ambassadors to African countries which opened today. The message was read by Foreign Minister Andrey Kozyrev.

The message says that our ties with African states must not only be preserved but must also be raised to a qualitatively new level. "As a permanent member of the UN Security Council and an active participant in the international community, the Russian Federation supports democratic transformations in Africa and turning it into a zone of peace, calm, and stable economic development. African countries can count firmly on support from Russia in this," B. Yeltsin stressed in his message to Russian diplomats.

Chernomyrdin Wants Interests in Africa 'Upheld'

LD1207111294 Moscow ITAR-TASS in English 1058 GMT 12 Jul 94

[By ITAR-TASS diplomatic correspondents Boris Krivoshey and Aleksandr Krylovich]

[Text] Moscow July 12 TASS— Russia has "rather definite interests" in Africa and they should be confidently upheld, Russian Prime Minister Viktor Chernomyrdin told Russian ambassadors to African countries at a meeting which opened here on Tuesday.

The premier pointed out three main lines of Russian diplomatic activity on the African continent. He said in particular that "Russia is interested, first of all, in wider political cooperation with African countries which are increasently active in world politics and are ready for a dialogue with us on a wide range of bilateral and global problems".

Chernomyrdin is of the opinion that "Africa is a promising region also from the viewpoint of the development of Russia's trade-and- economic relations. Russia has gained a wide expirience in cooperation with many of African countries. Various facilities have been built and specialists trained".

At the same time the prime minister emphasised that "if no qualitative changes come about in our trade-and-economic relations in the coming years, the previously gained 'capital' would cease bringing in dividends. It would not work, and, in point of fact, we would lose much because of that".

"Russia, just as the entire international community, is objectivly interested in the solution of transnational problems facing Africa now", Chernomyrdin pointed out.

A political and socio-economic degradation of the continent is fraught with most serious global consequences. By way of example, he pointed to Africans' uncontrolled migration from the areas of armed conflicts.

"Russian interests in Africa are a reality. One must be aware of this reality and work more actively to ensure our country's interests," the prime minister said.

Outlines Tasks in Arms Sales

LD1207111194 Moscow ITAR-TASS in English 1040 GMT 12 Jul 94

[By ITAR-TASS correspondents Boris Krivoshey and Aleksandr Krylovich]

[Text] Moscow July 12 TASS—Military technical cooperation remains a major link in Russia's foreign political and economic relations with Africa, Russian Prime Minister Viktor Chernomyrdin told Russia's ambassadors to African countries at a conference in the Foreign Ministry.

"We cannot ignore the fact that the protracted pause in relations with Africa can affect negatively the Russian interests. Moreover it is already so. The vacuum which has taken shape in this sphere is being actively filled by other countries, including those which produce arms under Russian licences but of lower quality than our own industry can offer," the Russian premier said.

Along with this Chernomyrdin said that "it is necessary for us to be realists and take in their stride the unpleasant facts, including the fact that we now have to begin from scratch in opening a Russian arms market in Africa. It is also extremely important to make the leaders of African countries understand that they will be no return to the earlier privileged forms of military technical cooperation".

"We simply cannot afford the luxury of extending soft credits to the buyers of our arms," the Russian prime minister explained.

As concerns competition on the world arms market, Chernomyrdin admitted that "it is an objective process and no one will waive a share of the market in our favour without a struggle".

According to Chernomyrdin, Russia has considerable advantage as far as the quality of its arms and military equipment is concerned, but this is not enough. It is necessary to act more actively and promptly in promoting Russian weapons on the African market, without overlooking the actual needs and solvency of the customers. For all that Chernomyrdin said it was impermissible "to slide downward to a dumping policy".

The head of the Russian government stressed that the main work aimed at resuming military technical cooperation with Africa on a qualitatively new basis lies ahead. According to him, practical steps have already been made in this direction. In particular, the government has agreed to establish relations in the military technical sphere with Djibouti, Namibia, Sierra Leone and some other countries. Russia is resuming cooperation in this field with Ethiopia and Angola, and is preparing necessary decisions relating to South Africa.

Kozyrev Comments on Russian Military Bases Outside CIS

LD1207115394 Moscow INTERFAX in English 0949 GMT 12 Jul 94

[Text] Foreign Minister Andrey Kozyrev does not rule out that Russia will set up military bases not only within the CIS but outside the Commonwealth.

He told Russian Ambassadors to African countries in Moscow Tuesday that such bases could be created only if the countries concerned request them.

Addressing the diplomats, Premier Viktor Chernomyrdin blamed industrial crisis on economic plight in Russia, even though he explained, that what he meant was basically "sale crisis ".

He said Russia no longer needs more shareholders. From now on big packages of shares will be offered to "a strategic investor", able to finance production, and there will be less and less benefits for labor collectives.

He recalled that in May inflation amounted to seven percent, and in June it was under five percent. "However, this does not mean that we are trying to reduce inflation to zero at the moment," he noted.

He pointed out that Russia's economy had begun to react more predictably to market changes. "A normal restructuring of the economy is underway, and not all that is happening is negative," he remarked.

He voiced his government's concern over a slump in Russia's trade with African countries. In his words, commodities exchange with Africa totalled $760 million in 1993, compared with only $220 million in the first half of 1994. He spoke in favour of closer commercial ties with African countries.

He stressed that most African countries —"Russia's debtors"—are unable to repay their debts in full. "This situation calls for specific solutions, one of which is the transformation of debts into direct investments in the economy of a debtor-country," Chernomyrdin said.

He said that Russia will sell the debts of African countries "only as a last resort when all other opportunities have been explored."

On the problem of Russia's access to Africa's munitions market, he predicted tough competition. "No one will surrender their niche on the market so easily", he remarked and warned against "sliding down to the policy of dumping", noting that Russia intends "to play fair."

Grachev Calls for Collective Security in Asia-Pacific

LD1207110094 Moscow ITAR-TASS World Service in Russian 1025 GMT 12 Jul 94

[By ITAR-TASS correspondents Vladimir Gondusov and Vladimir Fedoruk]

[Text] Moscow, 12 Jul—Russia's Defense Minister Pavel Grachev today spoke of the need to start consultations and meetings among military and other delegations to discuss ways of establishing a collective security system in the Asia-Pacific region. He noted that this process should go ahead without any pressure, with consent from all or most states in the region which would "possibly accede to a treaty on collective security in the future." In his words, there are certain specific features of collective security in that region which differ from a similar system in Europe.

This was the first issue to be discussed during today's meeting between Pavel Grachev's and his Chinese counterpart, Chi Haotian, who is currently visiting Moscow.

At the same time, the Russian defense minister said he is convinced that the demise of the DPRK's leader will not have a destabilizing influence on the situation in the Asia-Pacific region.

Foreign Ministry Lodges Protest To Algeria

LD1107160694 Moscow ITAR-TASS World Service in Russian 1530 GMT 11 Jul 94

[By ITAR-TASS diplomatic correspondent Igor Shishkov]

[Text] Moscow, 11 Jul—The Russian Foreign Ministry is most seriously concerned about the report about a fresh terrorist act having been committed against foreign citizens in Algeria, including Russians who have been working there on private contracts. This is said in a Russian Foreign Ministry official's statement that was passed on to the ITAR-TASS office.

As the document says, the Algerian ambassador in Moscow has been summoned to the Foreign Ministry. He was told that the Russian side did not intend to put up with the terrorist acts being committed over and over again against Russian citizens in Algeria—the acts leading to tragic consequences. It is necessary for the Algerian side to take appropriate and effective measures that can in reality ensure the safety of Russian citizens and prevent such incidents happening in the future, the document said. It was stressed that the Russian side considers this question of paramount importance.

The Algerian ambassador in Moscow assured the Foreign Ministry that he will immediately pass on the message to his government and expressed his profound condolences to the families of those killed.

Advises Against Travel to Algeria

LD1107154894 Moscow NTV in Russian 1500 GMT 11 Jul 94

[Text] A statement from a Russian Foreign Ministry spokesman says, inter alia, that the Foreign Ministry urgently recommends all Russian citizens, including those working through private channels, not to travel to Algeria and to temporarily suspend their contracts.

Kim Chong-il Said Suspicious of DPRK 'Power Structures'

PM1107181394 Moscow IZVESTIYA in Russian 12 Jul 94 p 3

[Report by Aleksandr Platkovskiy under the general heading "Kim is Dead. Long Live Kim!"]

[Text] Kim Chong-il has paid just one official visit abroad. In 1983 he visited China where he met with Deng Xiaoping. It is believed that the meeting with the Chinese leadership was the ritual blessing of Kim Chong-il as heir to the "great leader."

Several years ago he made an attempt to create his own image as an open and flexible politician. To that end he began organizing an International Youth Festival in Pyongyang. Never before had this tightly closed country received so many foreigners, some of them from the hostile imperialist camp. At the opening of the festival, however, a scandal occurred—the delegates from Italy and France appeared in front of Kim Chong-il bearing slogans about the protection of human rights in North Korea. The "dear leader" was furious. Security staffers quickly "neutralized the intrigues of the Western agents." For Kim Chong-il this marked the failure of his plans to achieve international recognition with the help of Moscow and other "fraternal countries." He began his preparations to inherit the throne well in advance by strengthening the security service and the military command, carrying out purges and installing those he considered his people. He was given the title of marshal and the post of supreme commander in chief, but nevertheless Kim Chong-il harbored great suspicion for the power structures, where veterans of the Korean War enjoy great influence. The son, as is well known, had never known the whiff of gunpowder.

In the North Korean hierarchy, Kim Chong-il has at least one ally—Kim Il-song's younger brother, who, having been in disfavor, was brought back six months ago with the mission of helping the young leader to gather some loyal people around him.

IZVESTIYA Profiles DPRK's Kim Chong-il

PM1107180794 Moscow IZVESTIYA in Russian 12 Jul 94 p 3

[Report by Vladimir Skosyrev under the general heading "Kim is Dead. Long Live Kim!": "The Heir Once Known as Yura"]

[Text] Beijing—To foreign observers Kim Chong-il, the new leader of the DPRK, is an enigmatic figure. There are even different versions about his birthplace. If the official biographies are to be believed, Kim Chong-il was born 15 February 1942 at a partisan base on Mount Paekto, the sacred mountain of Korea. Radio Pyongyang claims that the future leader's birth was preceded by an unusual natural phenomenon. Above Mount Paekto three stars began to shine—the stars of Kim Il-song, his wife, a heroine of the anti-Japanese resistance, and a third star between them, symbolizing the warrior child's appearance to the world.

But Koreans living in China constantly offer a more prosaic version. According to their information, Kim Chong-il was born at the Soviet military base near Khabarovsk where the unit in which Kim Il-song served was stationed at that time.

As was customary at the time, the first-born was given a Russian name—Yura. When the second son of the future DPRK president was born two years later he was given the name Shura.

After the liberation of Korea in 1945, Yura was taken to Pyongyang. At the age of seven he went to school but the Korean war broke out and he had to be evacuated to China. After returning to the DPRK he was still entered as Yura Kim on the school registers. Before leaving school, however, he told his comrades that he was taking the name Kim Chong-il.

This is where the official and the unofficial versions diverge again. According to Korean sources in Beijing, the leader's heir entered an air force academy in the GDR but did not stay there long. North Korean publications make no mention of his studies in the German workers' and peasants' state. The only thing that is known is that in 1963 Kim junior entered the Political Economy Department at Pyongyang University. There he wrote around 40 works, including the article "On the Ideas of Chuche."

After successfully mastering the theoretical legacy of Marx and his father, Kim Chong-il went to work at the party Central Committee where he displayed his talents primarily in the sphere of ideology and art. In 1969 he became head of the Central Committee Propaganda Department. His special area of interest was the cinema. The work "The Theory of the Art of the Cinema" was published bearing his signature, as was an anthology of articles on the theory of literature and art.

Possibly Kim Chong-il's contribution to the creation of the national movie industry would have been even more substantial had he not been busy with more important state matters. In the seventies the president began grooming his eldest son for the role of official heir to the throne. The press began calling Kim Chong-il "dear leader" and he gradually acquired the skills of the daily management of the country. In the key party organs he held the number two posts after Kim Il-song, and in 1991 became head of the armed forces.

The only field in which the new "great leader" has not yet been able to display his talents is diplomacy. He very rarely meets with foreign state figures.

Rivals 'Will Soon Get Rid' of Kim Chong-il

PM1107153594 Moscow IZVESTIYA in Russian 12 Jul 94 p 3

[Report by Leonid Mlechin under the general heading "Kim Is Dead. Long Live Kim!": "The New Great Leader Will Not Be on the Throne Long"]

[Text] The overthrow of Kim Chong-il, the opening up of North Korea to the outside world, and internal liberalization—that is probably what is in store for the DPRK in the immediate future.

When you are outside North Korea, of course, it is just as hard to guess what will happen there after the death of Kim Il-song as it was for foreign analysts after the death of Stalin in March 1953 to predict revolutionary changes in the Soviet Union. Now, however, we can use the experience of the many socialist regimes which have collapsed.

It is hard to imagine that Kim Chong-il, the son and heir of the late Kim Il-song, will be able to rule North Korea long.

The oaths of loyalty that his comrades in the party leadership have sworn to him and the tears shed over the body of his father are meaningless.

The North Korean establishment only seems monolithic and loyal to its leader. The Politburo members, party leaders, and army chiefs understand that the leader's death gives them an opportunity to arrange their own personal future.

The leaders of North Korea were obedient to Kim Il-song because they feared him. The late Kim was a master of the power struggle. He received power from the hands of the Soviet generals but held on to it because for 15 years he methodically destroyed his rivals.

He endlessly reshuffled the top leadership of the party, the state, the army, and the security organs so as to prevent anyone from developing a power base and acquiring allies for himself. There was no official post in Pyongyang which insured that a functionary would not suddenly be dispatched if not to a labor camp—for "reeducation"—then at least to the tedium of the provinces.

Kim Chong-il hardly possesses such an ability. He grew up in the family of an oriental despot. He is a spoiled aristocrat. He has become accustomed to the fact that the whole country belongs to him by birthright. Unlike Kim the elder, he did not have to win the right to be the number one and protect his throne against jealous rivals. Worse still, he sincerely believes in his own genius and that the country dreams of subordinating itself to him.

He will soon realize his mistake.

The people gathered around him are those who survived under his father's regime, who managed to climb to the top of the nomenklatura ladder, and who outdid their rivals and enviers.

These people are dreaming first of escaping from eternal fear of a boss who can do whatever he wants with them at any time.

Second, they believe, not without reason, that they will run the country better than Kim Chong-il.

And they will soon get rid of the great leader's son.

The elimination of the dynasty will meet with the full support of the middle echelon of the party-state and military-secret police elite. These comparatively young people long for a stable, peaceful, and comfortable life—such as their Chinese neighbors enjoy.

They want guarantees against the possibility of being suddenly removed from their familiar haunts at short notice and transferred to areas where life is hard. They want to live in comfortable apartments, to own the good things of life, to travel abroad, and even send their children abroad.

They realize that none of that will happen under Kim Chong-il.

So what will happen then?

The new leadership in Pyongyang will try to improve relations with the outside world, will try to open the iron curtain a little, and will allow more foreigners to enter North Korea.

Within the country it will try to improve people's lives, lift some of the restrictions, and try to feed them better. To try to justify the overthrow of Kim Chong-il there will be at least some talk of the Kim Il-song regime's crimes.

All this is enough to enable North Korea to begin moving in a new direction. Only total isolation from the outside world and total dictatorship helped Kim Il-song to preserve his power over the country. Any move toward liberalization will inevitably lead to the regime's downfall.

By the end of this decade a major state of approximately 70 million people with a powerful industrial potential could well appear on Russia's far eastern border. It is thought that a united Korea will become the fourth most important economic center in the world.

Presumably the North Koreans will hardly be well disposed toward Russia given that Kim Il-song was imposed on them by Moscow.

Daily Speculates on Korean Succession

PM1207094194 Moscow KOMSOMOLSKAYA PRAVDA in Russian 12 Jul 94 pp 1, 7

[Article by V. Andreyev: "Great Leader Has Died. Long Live the Dear Leader?"]

[Text] He really seemed immortal. The Great Leader, appointed to his post by Comrade Stalin personally, showed quite graphically what could have happened to us as well if Iosif Vissarionovich had had such loyal and tenacious fellow fighters in his own country.

The 22 million inhabitants who have never heard rock music in their lives and are obliged every day to tune their radios only to the state radio wavelength. The universal campaign to switch from three to two meals a day, a diet with a calorific value three times below the norm. The total control, including a compulsory virginity check on unmarried young women. And 50,000 statues of the Leader in the cities and villages of an unprecedented land of miracles—the bolshevik monarchy of Kim Il-song.

His biography, designed to turn him into a hero, claims that at the age of 11 Kim was already heading a guerrilla movement. But it is known for certain that he joined the communist party at the age of 20, in 1931. And that was the Chinese Communist Party. And in August 1945 near Khabarovsk Kim became a major in the Soviet Army. Four years later Stalin and Mao agreed on his nomination, organizing power on the part of the Korean peninsula occupied by the Soviet authorities. Throughout the years that followed the North Korean regime contrived to milk two cows, maneuvering between Moscow and Beijing. Here as early as 1953 Kim was gradually accustoming his subjects to the title of "hero" and in 1955 he proclaimed the course of reliance on their own efforts, known as the "idea of Chuche."

Bad times arrived for Kim and his Chuche in the eighties when the regime's two main sponsors embarked on serious reforms. The USSR, which used to put about $2 billion into it, began to lose the ideological need to finance the last reserve of Stalinism. Market-driven China's rice production began to be a reproach to him, with China advising him to waive his principles and follow its own example. The diplomatic recognition by Moscow and Beijing of the "bastion of imperialism and reaction"—South Korea—was a body blow to the Great Leader.

According to Kim Il-song the bright future consisted in the opportunity to eat rice with meat stock, to wear silk clothing, and live under a brick roof. A little over four decades were not enough for "the sun of mankind" to achieve this imposing aim. But despite the universal destruction, to give him his due the Leader was able to his last breath to keep not only his subjects but also many of his neighbors in fear.

His final trump card was the atom bomb which Pyongyang had either acquired or was still intending to acquire. This alarming uncertainty, strenuously supported by the regime itself, forced the outside world to seek approaches toward the unpredictable Leader. In the middle of June former U.S. President Carter asked for an audience with him. At the end of this month the leader of neighboring South Korea himself was to have gone to Pyongyang for the historic summit.

Visitors found Kim in good spirits and on the television screen during his meeting with Carter the 82-year-old Leader looked unusually fresh and vigorous. According to the official report death came early on Friday morning as a result of a heart attack. Kim Il-song suffered from atherosclerosis and a whole series of other common diseases of old age. Two years ago he was fitted with a pacemaker by Swiss doctors. The leadership needed 32 hours to work up the courage to tell the nation of its loss.

Inexorable nature is the chief enemy of the cults of great leaders. It suddenly reveals an ordinary mortal in an idolized being. For the third day thousands of shocked inhabitants of Pyongyang have been gathering to weep at the 36-meter high statue of Kim Il-song in the center of the capital. Mourning will continue through 17 July. It has been announced that foreigners will not attend the funeral. The voice of Deng Xiaoping has been heard in the flood of condolences published and broadcast on the radio. The Chinese patriarch, who will be 90 this year, grieves for the death of "a comrade in arms and close friend." A remarkable telegram was sent by another "best friend" of the dead Leader—Norodom Sihanouk, king of Cambodia. It hints at the answer which the world is now awaiting with heightened anxiety. The telegram is sent to "Marshal Kim Chong-il," leader of the Korean people."

If that happens then the Great Leader's monarchy will finally acquire its finished form, marked by the transfer of power by inheritance and the formation of the world's first communist dynasty, the Kims. Kim Il-song took two decades to prepare this transition.

At the time of the Great Leader's death Kim junior ranked second in the party, held the post of commander of the million-strong Korean Army, and had been cast in the image of "dear leader," invested with untold qualities by the efforts of propaganda. Although, according to the rumors, the country's elderly leadership and the generals opposed the rise of the "green" heir only 50 years old. His dad had to work hard for his promotion.

The next few days will show whether the succession to the throne has been seen through successfully. Kim Chong-il has backed up his claims by heading the commission for his father's funeral. How will his reign be marked? By a return to world civilization for the country of miracles or by events which will make us recall the old Kim with nostalgia?

Zhirinovskiy on Far East Future After Kim Il-song Death

LD1107172394 Moscow INTERFAX in English 1517 GMT 11 Jul 94

[Text] The leader of the Liberal Democratic Party of Russia (LDPR), Vladimir Zhirinovskiy, believes that a whole era has gone with the leader of North Korea, Kim Il-song. "However, the relations between our countries should remain stable and friendly," he told Interfax Monday after a visit to the North Korean embassy in Moscow to offer his condolences.

Commenting on possible political changes in the region, Zhirinovskiy said he hoped that "seeking peace and security will prevail in the Far East as before and the region will remain a zone of stability." He pointed out that "Koreans have the right to their own way of development of society, but God save them from any perestroyka." Zhirinovskiy said he had a high opinion of life in North Korea saying that "not everyone may be living in the lap of luxury, but that is better than a million living in luxury and 50 million in poverty."

Speaking about the North Korean nuclear program, Zhirinovskiy said that "any country has the right to carry out research, especially for new sources of power for peaceful purposes. These problems should be treated calmly, while Russia might act as mediator between the western world and North Korea in order to prevent such disaster as occurred with Iraq," he continued.

Zhirinovskiy also said a delegation of the LDPR faction in the State Duma was likely to reschedule its visit to North Korea from this October to some later time.

Kozyrev, Australia's Evans Discuss Current Issues

LD1107154994 Moscow INTERFAX in English 1409 GMT 11 Jul 94

[From the "Diplomatic Panorama" feature: by correspondents Igor Porshnev, Yevgeny Terekhov and others]

[Text] Russia is hoping for continuing stable relations with North Korea. Russian Foreign Minister Andrey Kozyrev said in Moscow today after his meeting with Australian Foreign Minister Gareth Evans that "according to the wishes of President Boris Yeltsin" Moscow's policy towards Pyonggang would continue as before. "Pyonggang has as yet given us no reasons for worry," Kozyrev said.

He announced that he had discussed with Evans issues concerning security in Asia, the non-nuclear status of the Korean peninsula and settlement in Bosnia. Special attention was paid to the meeting of the ASEAN foreign ministers planned for late July in which the Russian foreign minister will take part.

Evans stressed that the Russian Far Eastern regions were not participating in the economic life of the Asian-Pacific Region actively enough which was hindering Russia joining the ASEAN. He repeated that the ASEAN countries had decided to impose a moratorium on enlarging the number of the members of the organization until 1996. "The moratorium is a result of the Korean issue and have nothing to do with Russia. Probably additional discussion will be needed after the moratorium expires (on Russia joining the ASEAN - IF).

Kozyrev said that by the end of this century Russia's Siberian and Far Eastern regions would transform into

"Asian economic tigers" as a result of the economic reforms. "We must seek that their jump be in the right direction so that it does not lead to an economic conflict in Asia," Kozyrev added.

Kozyrev said that this suggestion was making Russia seek closer cooperation with the ASEAN.

Meet Reporters After Talks

LD1107192194 Moscow Mayak Radio Network in Russian 1323 GMT 11 Jul 94

[Text] Andrey Kozyrev and Gareth Evans, the foreign ministers of Russia and Australia, met in Moscow today. At the talks, they discussed mainly political issues, but they also touched on economic issues. An agreement has been signed between Russia and Australia on setting up air routes between the two countries. At the end of the talks, Kozyrev and Evans spoke to the press:

[Begin recording] [Kozyrev] The political dialogue that is building between the two countries is of direct importance for the implementation of Russian interests, above all in the Asian and South Pacific regions. We have an extensive bilateral agenda. One would like to see this visit promote economic relations between the two countries. However, we have focused attention on political issues, such as the situation in Cambodia, strengthening of security and the provision of a non-nuclear status for the Korean peninsula, the upcoming ASEAN forum in Bangkok at the end of the month, as well as prospects for economic cooperation in the Asian-Pacific region, including involvement of Russia in OPEC. Generally, we have discussed a large number of issues, including promotion of a Bosnian settlement on the basis of the Geneva package, as well as the minister's interest in the Baltic countries. As a whole, the conversation was very constructive, friendly, and I would describe it as having been on the same wavelength.

[Evans, in English with superimposed Russian translation] There is a view in the European media that Australia is a small and exotic country far away. This view is wrong, considering that our country is the third largest economic power in the Asian-Pacific region after Japan and China. Australia's economy has a bearing on the economy of the whole world. As a medium-sized power, our country is actively taking part in addressing a whole range of economic and political issues that are important both for the whole world and for the Asian-Pacific region.

We have been maintaining a very active warm and friendly dialogue with the Russian Federation, and we hope that this dialogue will help contribute constructively to the issues we are facing. I am very grateful to esteemed Minister Kozyrev for the thoughts that he has shared with us on all the issues that we discussed, and I will be happily looking forward to our meeting in Bangkok in a couple of weeks at the ASEAN forum when questions of security in the Asian- Pacific region will be discussed. [end recording]

Thai Embassy Official Hints at Possible Arms Deal

LD1107133694 Moscow ITAR-TASS in English 1318 GMT 11 Jul 94

[By ITAR-TASS string correspondent Aleksey Nikitich]

[Text] Moscow July 11 TASS—The Thai kingdom's government is at present considering the possibility of purchasing arms, in particular, the latest bombers and interceptor aircraft, as well as air-defence equipment from Russia, Withan Bunphuphantanti, Thai Embassy press secretary told ITAR-TASS today in response to a query. He positively assessed activities of the military representatives in Bangkok and Moscow.

According to the embassy press secretary, Russia is exercising a positive influence on strengthening stability and security in the Asia-Pacific region. In this context he said that a Russian delegation headed by Russian Foreign Minister Andrey Kozyrev will be for the first time taking part in a regional ASEAN forum which is scheduled to be held in Bangkok at the end of June. The forum, according to the press secretary, will provide a new impulse to cooperation in questions of security in the region.

Foreign Ministry Statement on Results of G-7 Summit

LD1107212594 Moscow ITAR-TASS World Service in Russian 1550 GMT 11 Jul 94

[By unidentified ITAR-TASS diplomatic correspondent]

[Text] Moscow, 11 Jul—A press release that the Russian Ministry of Foreign Affairs gave to ITAR-TASS says:

B.N. Yeltsin, President of Russia, together with the leaders of seven states, took part in the summit meeting in Naples on 9 and 10 July.

The creation of a political group of eight states to develop partnership and cooperation in world affairs has become the main result of the meeting.

This is stated in a statement on the results of the political discussion, read out by Italian Prime Minister Berlusconi, the chairman of the summit in Naples, on behalf of the eight leaders. The work on the draft statement was carried out jointly by experts from the eight countries during the period of the preparations for the summit.

The statement sets out the general approach of the group of eight concerning the key problems of international life. The proposals of the ministerial meeting on Bosnia held in Geneva on 6 July have been given resolute support and an accord has been reached to try and get the sides involved in the conflict in Bosnia to agree with these proposals. Ways of further advancing the Near East settlement, of overcoming conflicts in Africa and Central America, and of resolving the North Korean nuclear problem through dialogue have been drawn up. Approaches have been agreed toward the strengthening of the rules and regulations governing the nonproliferation of mass destruction weapons, enhancing the efficiency of the United Nations through ensuring necessary reforms, expanding the role and the potential of the CSCE, and developing dialogue on security issues in the Asia-Pacific region.

The statement acknowledges that regional organizations can make a significant contribution in the area of preventive diplomacy and peacekeeping in accordance with the UN Charter and the CSCE principles. Russia, working together with its neighbors to strengthen peacekeeping mechanisms to settle conflicts in the CIS countries, has favored and is in favor of precisely this kind of approach. President B.N. Yeltsin made his partners in Naples aware of the necessity for more active support of these peacekeeping efforts.

At the proposal of the Russian side, the statement enshrines the resolve of the eight states to further improve the mechanisms and procedures of control to ensure in all states that human rights are observed including the rights of persons who belong to ethnic minorities. We also see this accord as a pledge by the participants of the Naples summit to consistently facilitate the resolution of the problems of the Russophone population outside Russia, in particular in the Baltic countries. The president of Russia set out in detail his views on this score.

Specific accords have been reached to step up the campaign against terrorism, organized crime, nuclear contraband, and to strengthen nuclear security.

Apart from its political discussions, the group of eight also discussed the course of economic reforms in Russia. Our partners reiterated that they support the efforts of the president and the government of the Russian Federation. B.N. Yeltsin emphasized in particular that Russia was not asking for assistance but was striving for an equal participation in the world markets, free from discrimination. These questions were also dealt with in detail during the course of the bilateral meeting B.N. Yeltsin had with the U.S. President B. Clinton. An accord was reached that additional measures to remove the barriers to Russian exports should be adopted before the president of Russia visits Washington in September this year.

As CIS chairman, Yeltsin set out to the participants in the Naples meeting the wishes that the Commonwealth countries conveyed through him concerning assistance in solving their social and economic problems and spoke in favor of stepping up the efforts to support the countries whose economy was in transition during a difficult stage of reforms.

B.N. Yeltsin presented to his partners Russia's approaches toward global economic problems and pointed out that already at this stage it was objectively necessary to develop cooperation among the eight states concerning many of these problems. It was agreed that this kind of cooperation will get under way in a number of areas.

Thus the Naples summit opened up a qualitatively new stage of multi-lateral cooperation among its participants. The creation of a political group of eight implements the Russian president's idea to get strategic partnership going in world affairs. It is planned to expand Russia's participation in discussing global economic problems and this ought to be reflected when the format of the next meeting is worked out. At the invitation of the Canadian prime minister this meeting will take place in Halifax in 1995. Together with the other leaders, President B.N. Yeltsin has accepted the invitation to the Halifax summit. The statement by the chairman of the Naples meeting contains an accord to the effect that the eight countries will cooperate closely in the course of the preparations for the next summit.

Chernomyrdin Hails Decisions of G-7 Summit

LD1207104494 Moscow ITAR-TASS World Service in Russian 1017 GMT 12 Jul 94

[By ITAR-TASS diplomatic correspondents Boris Krivoshey and Aleksandr Krylovich]

[Text] Moscow, 12 Jul— Viktor Chernomyrdin, chairman of the government of the Russian Federation, speaking today at a conference of Russian ambassadors in African countries, voiced confidence that before the year is over the decisions taken at the Naples summit will develop in favor of Russia's interests.

In his view, the decisions adopted in Naples will help "not just political but to some extent also the economic integration of Russia in the process of global decision-making." "Russia has in effect gained recognition as a democratic country with its economy in transition," he stressed.

Yeltsin Interviewed on Naples Summit Results

PM1107163194 Moscow ROSSIYSKAYA GAZETA in Russian 12 Jul 94 First Edition p 1

[Interview with President Boris Yeltsin by Nikolay Paklin in Naples 10 July: "Boris Yeltsin: I Do Not Like Guessing, I Like Action. Russian President Answers Questions From Our Special Correspondent Nikolay Paklin"]

[Text] [Paklin] In your view, how does the formula of Russia's participation in the Naples meeting fundamentally differ from that of the previous meetings?

[Yeltsin] This is the third meeting of the leaders of the G-7 and Russia. The previous meetings were, so to speak, an adjunct to the annual G-7 conference and were dedicated mainly to a discussion of the Russian reforms. The Naples summit is a qualitatively new stage of cooperation. For the first time the examination of international political problems was held in the format of a "political G-8" on the basis of full parity.

The statement adopted on behalf of all eight leaders sets out the joint line on the key problems: Bosnia, the Korean peninsula, regional conflicts in Africa and Central America, the Near East settlement, the nonproliferation of nuclear weapons, human rights, the struggle against terrorism, international security, and the strengthening of the United Nations and the CSCE.

Accords were reached on cooperation among the states of the G-8 on advancing this line at the appopriate international forums.

The second main distinction is that the Russian reforms were discussed not according to the "7+1" formula, as before, but as the G-8—on equal terms.

This is a recognition of the fact that the success of our reforms is in the common interest of the whole world community. There were no "reports" or requests for aid. We put the question in these terms: Russia must be included in the world economy and receive nondiscriminatory access to markets. We have the understanding of our partners on that score.

For the first time we also discussed in the G-8 format a number of global problems which cannot be resolved without Russia's participation.

Furthermore, there were no sensations or surprises at the meeting, this was a trusting discussion among partners based on painstaking joint preparatory work both politically and economically. We took part in that. That did not happen before.

[Paklin] Why is it proving so hard to turn the G-7 into the G-8? Do the results of the Naples meeting make it possible to predict when Russia will become a full member of the G-7?

[Yeltsin] I disagree with the first part of the question. I have just outlined the fundamental changes that have taken place in the past year. Everyone has begun to understand that Russia's integration into the Naples group meets the long-term interests of the G-7. Of course, our positions do not always fully coincide: There are differences of opinion, but they have also existed within the G-7 and they will always exist. But the mechanism which has been created makes it possible to settle those differences and problems in a spirit of mutual responsibility and respect.

You ask: When will the G-8 be fully formalized and not only in the political regard? I do not like guessing, I like action.

After Tokyo no one even thought about a "political G-8." But we put that task forward and resolved it. Now we are already working toward complete integration. For example, the economic declaration which the G-7 adopted in Naples reflects those questions in whose solution Russia objectively does not participate at the moment (the regulation of exchange rates, flow of funds, and so forth). However, we told our partners bluntly that there is a whole series of questions which not only have a direct bearing on Russia but also simply cannot be effectively resolved without its participation.

Take the Third World countries' debts—they owe Russia around $140 billion. And what about the fight against the drugs business, money laundering, and organized crime, the protection of the environment, and nuclear reactor safety? So after Naples one of the tasks will surely be the further improvement of the format of the annual summits. I am sure that the next meeting in Halifax, Canada, will confirm that.

[Paklin] Some people hold the opinion that Russia, which is experiencing economic difficulties and is a debtor, cannot aspire to equal discussion with members of the G-7. How would you answer the supporters of such a standpoint?

[Yeltsin] That opinion is refuted by the results of Naples, of which I have spoken. We don't need to "aspire to equal discussion," we already are equal partners in bilateral relations, in the UN Security Council, and in the "political G-8."

As you referred to debts, I would add a further point. Russia itself has not borrowed much. The bulk of the burden is the debt legacy of the former USSR with its unceasing attempts to save the moribund system through injections of foreign funds.

But we are still major creditors of both developing and CIS countries. We and the G-7 states have debtors in common, and that in itself necessitates joint action to settle the problem of debts on a basis acceptable to all.

[Paklin] Have you not felt that some people in the West fear an autonomous role on the part of great Russia and seek on various pretexts to restrict its influence on world affairs?

[Yeltsin] I have detected no such such fears here in Naples. Farsighted Western leaders not only do not fear an active role by Russia in the world but, on the contrary, see us as a reliable political partner. The proof of this is the political discussion just held within the G-8 framework and the statement we adopted.

But there are also figures of a different intellectual caliber, I would say, in the West. They suggest that Russia be treated as a junior partner and insist on some "special rules" within which we should operate. As a rule, such figures are not in power and perhaps want through their ideas to score points in domestic political maneuvering in their own countries.

In our country, for example, certain of our actions in which Western critics perceive a "neoimperial threat" are described by certain of our own country's politicians as a "betrayal of Russia's interests."

There can be no "special rules" for Russia in questions of peacemaking, the export of dual-purpose technology, or anywhere else. All rules must be the same for everyone. And we are seeking precisely that—no double standards regarding Russia.

[Paklin] It is perfectly natural that Russians view our foreign economic actions from the standpoint, above all, of how this affects our internal affairs and the well-being of Russian citizens. What could you say in this connection about the specific results of your recent top-level meetings—on the island of Corfu and here, in Naples?

[Yeltsin] Speaking of approaches toward enhancing the Russians' well-being, we do not rely on new credits, loans, funds, etc. Of course, this is important in itself, since it makes it possible to alleviate social burdens, but the chief thing, nonetheless, is the success of our reforms and foreign support for Russia's efforts in this area. We have seen this in both Corfu and Naples.

We have not raised the question of aid "packages" but discussed the fundamental problem: ending discrimination against Russian goods and services on foreign markets, ensuring equal status for our commodity producers in the international division of labor, and attracting foreign investments to our country. The agreement with the EU enshrines very important accords which open the way to resolving these questions.

The format of the Naples summit did not propose any treaty obligations like the agreement with the EU. But we have laid a basis for Russia's full integration into the world economy, for more effective participation in the IMF and the International Bank for Reconstruction and Development, and for joining the GATT and the World Trade Organization which is being set up.

In the final analysis, all this will help substantially to accelerate the reforms, to surmount the crisis, and to make the transition to economic growth and, accordingly, an improvement in the life of Russians.

Results of G-7 Summit Summed Up

PM1107182594 Moscow ROSSIYSKAYA GAZETA in Russian 12 Jul 94 First Edition p 2

[Report by special correspondent Nikolay Paklin: "In the Partnership Loop. On the Results of the Meeting of the Leaders of the World's Leading Industrial Powers in Naples"]

[Text] Naples—No press conference here has provoked as much interest as the concluding meeting with journalists of the two presidents: B.N. Yeltsin and B. Clinton. The amphitheater of the Palazzo Reale, designed to hold 340 people, could not accommodate all those who wished to attend.

What is this—nostalgia for the bipolar world when the two superpowers ran the show? By no means. A new historical reality was born in Naples before the eyes of those attending: Russia's entry into the club of the leading market-economy countries. And the chief architects of this reality were the Russian and U.S. Presidents. The meeting with the press took place directly after their talks. "We share common views," B. Clinton, who spoke first, said. "I am satisfied with the political G-8," B.N. Yeltsin stated. "But I think that this is only the beginning. Russia will enter the G-8 as a full and equal member."

In fairness it should be said that not all members of the G-7 embarked with an easy heart on the political expansion of their group, which has been a closed "club" for two decades. My Japanese colleagues did not conceal the fact that Japan had voiced various doubts on this score. It is claimed that the French were also unenthusiastic. But the United States supported the idea from the very beginning, as did the new Italian government. Incidentally, the first meeting between B.N. Yeltsin and Italian Prime Minister S. Berlusconi was uncommonly warm. The interlocutors agreed that our countries should exploit more fully the great potential for the expansion of bilateral ties. But the planned meeting with the Japanese premier did not come off. He was taken ill unexpectedly and spent several hours in hospital....

In the course of the Naples meeting the question arose: What will the embryonic political "G-8" look like in general? On the eve of the meeting someone spread the rumor that Russian Foreign Minister A. Kozyrev had put forward an initiative that the UN Security Council be replaced by regular conferences of the eight states. The Russian delegation categorically rejected that claim. The reform of the United Nations, including the expansion of its Security Council through the inclusion of new permanent members, is a different matter. There are already some "automatic candidates," among them the G-7 members Japan and Germany.

Russia is against haste and for the natural course of events, B.N. Yeltsin told journalists on arriving in Naples.

One of the main areas of the natural development of events is not monetary aid to Russia, but its inclusion in world economic relations on an equal basis. The Russian president, according to his statement at the meeting with journalists, firmly posed this question to his interlocutors in Naples. A paradoxical situation has arisen: Restrictions adopted as a reaction to Moscow's curb on emigration from the former USSR operate in the United States to this day. Whereas emigration from Russia is now being curbed by its ardent champions of the recent past....

But it seems that this Cold War ice floe has also begun to melt in the heat of Naples. "President Clinton promised me that, when I go to the United States 27-28 September, he will make an official statement to the effect that all these restrictions are being lifted," B.N. Yeltsin informed journalists with a smile. In his words, the present Russian-U.S. summit in Naples was very dynamic, specific, and businesslike. "We do not start philosophizing but discuss 30-35 questions each time," the Russian president said. "We expressed satisfaction with the way our relations are developing."

Among the questions raised at the bilateral summit was the withdrawal of the Russian troops from the Baltic countries. They have already been withdrawn from Lithuania and will be withdrawn from Latvia, but there is a problem with Estonia. In that country, in the president's words, there have been gross violations of human rights, especially in relation to military pensioners. As we can see, not only global problems were discussed at Naples.

Of course, however important relations between Russia and the G-7 may be, world problems are not limited to them. The first part of the Naples meeting, at which the situation in the world economy was discussed, was held without us. The outcome of the discussions was summed up in the G-7's communique. This document claims that the Western economy is over the worst. Recovery is evident, but is not universal. It cannot yet be felt in Japan, for example.

Another problem discussed was unemployment. In the G-7 countries alone there are 24 million people without permanent employment. This arouses the concern of the leaders of the most developed economies. Unlike some of our politicians, they realize how dangerous mass unemployment is. But they are unable to eliminate it: Modern technology does not need a great number of workers. How can this situation be overcome? The G-7 calls for better training of workers, so that they can change jobs more easily depending on the requirements of the labor market; for the creation of jobs in such new spheres of human activity as environmental protection; and for the lifting of restrictions on an international scale on the movement not only of goods and capital, but also of people. These are undeniably noble intentions but when it comes to deeds, much remains on paper....

The G-7 leaders are also alarmed by the growth of organized transnational crime. By laundering money and using various illegal methods, crime syndicates are establishing control over legal business. "We intend to strengthen international cooperation to combat this situation," the G-7's communique says. Russia is the West's natural partner in this. There is no need to mention what a huge loss our homegrown mafia inflicts on Russia's young business. The world community intends to discuss the problem of crime on an international level under UN auspices, again in Naples, in October this year.

The G-7's Naples meeting has ended. At the next meeting, which will take place in the Canadian city of Halifax, Russia will be participating not as a guest-state, but on a legal basis. For the time being, admittedly, only in the political part of it.

Foreign Ministry Official on Agreements With Pakistan

LD1207092494 Moscow ITAR-TASS in English 0907 GMT 12 Jul 94

[By ITAR-TASS diplomatic correspondent Andrey Bychkov]

[Text] Moscow July 12 TASS— Russia and Pakistan are preparing to sign a major political document on good-neighbourly relations and cooperation between the two countries, a Russian Foreign Ministry official told TASS by telephone today.

The official, head of the Foreign Ministry's Third Asian Department Yuriy Kotov, said Moscow and Islamabad will also sign an entire range of agreements covering a variety of fields of bilateral relations.

In early July, the foreign ministers of Russia and Pakistan had contacts in Moscow. Andrey Kozyrev and Asif Ahmad 'Ali discussed an extensive range of questions pertaining to bilateral relations, the situation on the Tajik-Afghan border and in Afghanistan as a whole, prospects for interaction between the two countries in ensuring stability in south Asia and, as its major component, the strengthening of nuclear security.

The painstaking preparatory work on Russian-Pakistani agreements will culminate in autumn when Pakistan's Prime Minister Benazir Bhutto will arrive in Moscow for an official visit and talks with the Russian head of government, Viktor Chernomyrdin.

Russia Ups Investment in Moldova

PM1207090594 Moscow IZVESTIYA in Russian 8 Jul 94 p 2

[Report by Svetlana Gamova: "Chisinau Is Settling Up With Moscow for Debts Incurred by Dniester Region Enterprises"]

[Text] Chisinau—Russia's "Gazprom" has become co-owner of the Moldavian [Moldovan] republic's "Moldgaz." The decision to transfer some of its shares was approved in Moldavia at government level. Both Chisinau and Tiraspol, which jointly owe Russia 168 billion rubles [R] for gas, are thus hoping for certain concessions in future payments. Russia's involvement in Moldavia's enterprises will probably help to restore economic ties between Chisinau and the eastern region of the republic—the Dniester region.

The top leaders of Moldavia and the Dniester region have signed an agreement stressing the need to define the separate state and legal status of the region, and also the two sides' desire to galvanize the process of talks on a whole range of issues of mutual interest without preliminary conditions. They decided to begin by building economic bridges, without which neither Moldavia nor the Dniester region will be able to extricate itself from economic crisis.

Unlike Chisinau, Tiraspol is still citing a deficit-free budget with no foreign debts as an argument demonstrating its relative economic stability. Despite the fact that the dubious reputation of the Dniester republic's old Soviet-style ruble, which is not accepted as an instrument of payment in any bank, is increasingly gripping the region in a vise. Here, as on the right bank, workers' wages are being delayed, prices are crippling, and the population's purchasing power is falling. Holes in the regional budget are being patched up at the expense of large enterprises which for five years have been working for both the economic and the political independence of the Dniester region.

The self-isolation of the Dniester left bank, which in 1989 contributed one-third of the funds paid into the Moldavian budget, generated 83 percent of the republic's electricity, and manufactured 100 percent of its large electrical machinery and equipment for foundry production, prefabricated rolled products, and cement, is an extremely significant loss for the republic. Particularly if we bear in mind that on the right bank in recent years half the volume of industry has been lost and what industry remains relies solely on support provided by state credits.

Despite the political confrontation and the war between the banks, barter between the two sides of the Dniester has also taken place—at the enterprise level.

Last year goods worth 29 billion (Dniester region) rubles were exported to Moldavia, and goods worth R3.8 billion were imported from there. In exchange for Moldavia's traditional supplies of food, the left bank sent back furniture, cement, construction materials, glass containers, and pumps, in other words industrial products.

The Dniester region also enjoys a positive balance regarding barter with Russia. Only the volumes are much bigger and the links are stronger. Some 80 percent of local industrial potential was geared to the Russian market right from the start.

According to Vladlen Vasev, the Russian president's official representative in Moldavia, Russia is prepared to invest capital in the region, which will help Moldavia to settle its debts. V. Sinev, head of the Dniester region government, sees this as a way out because, by forging industrial cooperation with Russian partners and establishing joint ventures with them, local producers will be freed from taxes and customs duties and get the "green light" to trade with Russia.

The redistribution of ownership in the region in Russia's favor is already under way. The "Laminat" concern, which was established on the basis of Tiraspol's "Moldavizolit" Plant, brings together 180 enterprises, 100 of which are Russian. Rybnitsa Metallurgical Plant, which received two international awards for quality this year, is acknowledged to be the principal developer in Russia of new technologies in the sphere of nonferrous metallurgy. The enterprise has been given a general contract to reconstruct and retool "Izhstal." The stockholders in Tiraspol's "Eolis" financial and industrial corporation—a key structure in Moldavia's light industry—are Russian partners.

The opposition in Chisinau is describing this intensive integration of Dniester region industry into Russia as a bolstering of Russian pro-imperialist influence in Moldavia. The republic's new government is counting the possible economic and political dividends. Having opened the Dniester region up to Russian capital, Moldavia can count on more active Russian mediation in political dialogue between Chisinau and Tiraspol. Consequently the eastern region will not only not be lost, but by merging into a single national economic complex Moldavia will be able to enjoy carte blanche in trade with Russia and also to defer repayment of credits it has received.

Moldavian Prime Minister Andrei Sangheli has signed a document which practically transfers Tiraspol's experimental metal lithography plant to the administration of Russia's sector committee. In the Dniester region yet another joint venture will be founded, this time with Magnitka. This Tiraspol enterprise, which is without parallel in the CIS, will supply Russia with food industry tinplate conforming to international standards. Moldavia, in the form of the Dniester region, will get a continuous large-scale order and hence will keep production and jobs.

Following the signing by the leaders of Moldavia and the Dniester region of a protocol of intent in the presence of a representative of the CSCE mission and the Russian president's envoy, the process of restoring a single economic area has begun in the republic. Banks in Chisinau and Tiraspol are opening reciprocal correspondent accounts and have reached agreement on mutual technical credit of $1 million in order to make payments of paramount importance. The rate of the leu has been fixed in relation to the Dniester region ruble: One to 1,000. The banking war is over. The next step is to restore the transportation links across the Dniester which were destroyed during the armed conflict.

Shumeyko Satisfied With Ukrainian Election Results

LD1207073994 Moscow ITAR-TASS World Service in Russian 0709 GMT 12 Jul 94

[By ITAR-TASS parliamentary correspondent Lyudmila Yermakova]

[Text] Moscow, 12 Jul—Vladimir Shumeyko, chairman of the Russian Federation Council, expressed satisfaction with the results of the presidential elections in Ukraine. In reply to journalists' questions he noted that Leonid Kuchma "has a more realistic attitude to economic policy and to the CIS than Leonid Kravchuk."

As for the elections in Belarus, the Federation Council speaker said that he did no yet know Alyaksandr Lukashenka.

Duma Officials on Kozyrev Remarks, Ukrainian Elections

PM1107130794 Moscow ROSSIYSKIYE VESTI in Russian 9 Jul 94 p 2

[Report by Feliks Babitskiy under the "Statements" rubric: "Committee Sees Everything"]

[Text] Konstantin Zatulin, chairman of the State Duma Committee for CIS Affairs, has issued a statement to the effect that his committee welcomes the Russian Army's peacemaking operation in Abkhazia since it does not aim to back any of the opposing sides. He finds it all the more odd that the Russian Foreign Ministry in the person of its head "is daring to make certain anti-Abkhazian statements." The deputy could not resist making a sarcastic comment about his long-standing opponent: "Mr. Kozyrev has obviously mistaken the bridge over the Inguri River by which the refugees are to return for a new department store since he has cut the ribbon that was sealing it off." He also criticized the Foreign Ministry for failing to send documents that need ratification to the State Duma in a timely fashion accompanied by the requisite explanations, "enabling Deputy Kozyrev to then accuse his colleagues of conservatism and incompetence."

Mr. Zatulin's deputy, Vyacheslav Igrunov, also made a statement about the presidential elections in Ukraine, which he has just visited. The deputy said that he witnessed blatant breaches of electoral law with a view to ensuring victory for Leonid Kravchuk. Thu, in one of the capital's districts the ballot papers were not taken to the electoral commission once they had been collected but were taken to the rayon administration. Throughout virtually the whole election marathon the incumbent president's main rival Leonid Kuchma was not allowed airtime and a few days ago the private television company whose services he used was closed down by the authorities. There was campaigning for Kravchuk and against Kuchma on election day on the streets of Kiev with the militia's connivance.

"All that is bound to affect our attitude to the future Ukrainian president," Mr. Igrunov said.

Ukraine, Belarus Elections Seen as Rout of Old Elites

MK1207100094 Moscow NEZAVISIMAYA GAZETA in Russian 12 Jul 94 p 1

[Report by Vitaliy Portnikov in the "Ukraine" column under general headline: "The Second of the Belovezhskaya Forest Bison Has Fallen. Leonid Kuchma Has Defeated Leonid Kravchuk. Moscow, Kiev, and Minsk Have Shaped Into a New Political Combination"]

[Excerpt] [Passage omitted] The majority of residents in the eastern and southeastern parts of Ukraine have voted for Leonid Kuchma, while Kravchuk in the first round was supported by western and central regions. Kravchuk's diminished backing is mainly due to the fact that in the second round parliament speaker Oleksandr Moroz's supporters—mostly from among communists—and possibly also part of economist Volodymyr Lanovoy's supporters gave their votes to Leonid Kuchma. According to some reports, such a swing of votes resulted from an agreement reached between Kuchma and Volodymyr Lanovoy. Lanovoy aspired to the post of prime minister in the victorious president's team. Now, however, it is unclear how realistic this appointment can be and to what extent Leonid Kuchma can change the government makeup in his favor without entering into a conflict with parliament. Furthermore, it is not clear so far what the reaction to the new president's election will be in western and central regions and especially national-democratic movements and parties which have their electorate in these regions. Simultaneously with the president, oblast power chiefs were elected in the country. It is quite possible that the leaders of western and central parts of Ukraine who have won the elections will want to concentrate as many powers as possible in their own hands without resorting to the mediation of Kiev officialdom in exercising these powers.

The question of his actual interrelations with Russia remains rather complicated and important for Kuchma. After all, the new president's election campaign has been built on improving relations with its eastern neighbor and on such an economic union that would allow Ukraine to obtain certain privileges in dealings with the Russian Federation, especially insofar as concerns prices for energy—oil and gas. In its relations with Belorussia [Belarus], Russia has already demonstrated that it is capable of making economic concessions when political influence is involved, but these concessions cannot be too big because they will immediately have an effect on the Russian economy. Therefore the next few months will show to what extent Moscow is ready to accept Leonid Kuchma's challenge and to what extent the new administration's integration wishes will coincide not so much with Moscow's wishes as with its possibilities.

Finally, Leonid Kuchma's victory in Kiev and Alyaksandr Lukashenka's in Minsk has shown that the old elites have effectively lost control of the situation and are incapable of further retaining power, and somehow or other have to cede it to new people and new groups. In Belarus this has manifested itself more conspicuously, while in Ukraine less so, because Leonid Kuchma is still a creature of the same party of power as Leonid Kravchuk but represents another wing within it, one concentrated mainly in the corridors of the country's military industrial complex. Now, however, the power team in Ukraine can change in a most dramatic manner and this will lead to serious changes in the country's domestic and foreign policy, and—what is most important—to possible serious changes in the lineup at the top of Ukraine's power structure.

Russian Policy Garners Increasing Respect

PM1207110194 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 94 p 2

[Commentary by Observer Aleksandr Golts under the "Topic of the Week" rubric: "They Have Not Only Ceased To Fear Us, But Are Apparently Beginning To Respect Us"]

[Text] There is, in my view, a common denominator in the highly important events of the past week (and these include the deterioration of Russia's relations with Latvia and Estonia, the visit of the U.S. President to the Baltic region, the difficulties in the peacekeeping operation in Abkhazia, the final preparations for the G-7 conference, and also the session of the contact group for a settlement in the former Yugoslavia), despite their differences in scale and kind. It is that it has now become obvious once and for all that—albeit not always consistently, albeit far from always successfully—Moscow is succeeding in defending and upholding its interests. Our partners among the leading Western states are beginning to reckon with Russia—not in word, but in deed. And this is happening by no means out of fear of our military might, as was the case in the days of the USSR. And not even because of a fear of uncontrollable developments in a nuclear power, as was the case during the first two years following the formation of the Russian state.

True, there is a danger that this real progress will be disregarded by public opinion. Because in the public's eyes it will not look like progress. After all, only about two years ago no statement on foreign policy topics by officials was complete without the claim that Russia had succeeded in joining the circle of civilized states. It is hard to say what was the greater factor here: naivete, or a considerable degree of cunning. After all, simply to announce a rejection of any messianic role and interference in the affairs of other states and to show goodwill for the reduction of nuclear weapons were wholly insufficient to ensure that Russia was accepted as a real partner. Especially since these positive changes in Moscow's foreign policy took place against a background of economic collapse. Consequently, whether Western states liked these changes or not, they saw them as the stance of a weak state, one which had found itself in a hopeless situation.

And what sense is there in taking account of the interests of a weakling? The impression was reinforced by the fact that Moscow at one stage simply followed in the wake of the West, whether it was the problem of sanctions against Yugoslavia or missile strikes against Baghdad on the sole grounds of suspicion. But it soon became clear that such a policy brought us prestige neither internationally, nor at home. They ceased to fear us, but they did not begin to respect us. Because there was nothing to respect us for.

Mutual interest is also needed for partnership. I think that this interest has now emerged. Or, more correctly, has begun to emerge. This happened when Moscow realized that its state interests cannot simply be reduced to memorable "common human values," although it does not exclude these. True, Russia only had to proclaim its own line, distinct from that of the West, for this to meet with an initially hostile reception.

Let us recall—after all, it was not so long ago—what a hysterical reaction was provoked by opposition to the NATO ultimatum against the Serbs. And what about about the attempts to make Russia ask for permission to carry out peacekeeping operations in the near abroad, despite a frank reluctance to facilitate in any way the establishment of peace in the warring republics of the former USSR?

However, side by side with instances of the old prejudices, the understanding gained ground that there exist real global problems which the West cannot resolve without partnership with Moscow. And this applies not to the Yugoslav and Korean crises alone. As time goes by, it becomes increasingly obvious that there is a danger of the escalation of conflicts on the former USSR's territory, given the obvious reluctance of Western states to get bogged down in these conflicts. And Russia is already carrying out an extremely difficult, but vital—to everyone—peacekeeping operation in Abkhazia, while simultaneously deploying UN observer posts. If these are not yet joint actions, at least they are now actions in the same direction.

Moreover, it is obvious that the West too already feels the need for a new organization of the post-Soviet area as a whole. President Clinton, leaving for Europe for the G-7 meeting, made the fairly unexpected statement that the United States would not object to a new unification of those peoples of the former USSR who themselves wanted such a unification. It has to be noted that the U.S. President has here shown a wider and more decisive approach than even some Russian politicians.

At the same time this trend toward real partnership with Russia is forging ahead with considerable difficulty. The past week has once again demonstrated that both at home and abroad there are politicians who, albeit with different aims, would like to revive the thesis of the "threat from the East." Thus Mr. Zhirinovskiy, clearly seeking to shock participants in the CSCE parliamentary assembly in Vienna, declared the possibility of a third world war. And apparently perfectly respectable Baltic leaders are just as clearly trying to justify their own discriminatory laws or even claims to Russian territory with arguments about the Russian threat or Russian "guilt."

But if people have already grown accustomed to such statements from the former, the latter are not finding the understanding which they expected. And Clinton's visit to Latvia is extremely indicative in this respect. Let us not forget that the battle for the independence of the Baltic republics was a fundamental avenue of U.S. policy for decades. It is therefore all the more remarkable that the U.S. President could not help but listen to his Russian colleague, who expressed decisive disagreement with the nationalism which has become state policy in the Baltic states. And addressing the people of Riga, Clinton did not limit himself to reflections on the triumph of Baltic independence. In the words of Britain's THE DAILY TELEGRAPH he "rebuked the Balts" for refusing to grant citizenship to the Russian inhabitants of that country.

I by no means see our future relations with the West through rose-tinted spectacles. Many conflicts where Russian interests will clash with the interests of other countries still await us. However, it is impossible not to see that there is no antagonism in these interests. And where Russia's demands are legitimate, where it is consistent and principled in its demands, it can count, if not on the support, then at least on the understanding of the leading foreign states. I think that Russia's participation in the G-7 talks today should confirm this.

Export of Dual-Purpose Technology Eyed

PM1107101194 Moscow IZVESTIYA in Russian 7 Jul 94 p 3

[Commentary by Aleksandr Sychev: "Helicopter With False Bottom. How To Trade in Russian Arms Without Moscow's Knowledge"]

[Text] Is it possible to trade in Russian arms without applying to the authorities for permission, and at the same time to escape legal proceedings?

Judging by the fact the top-secret T-80 tank which turned up in Great Britain over one year ago had all the necessary signatures for "emigration," it is not difficult to acquire any permit in Russia. Nor has word been heard of anyone being punished for the export of the tank, which there is now no sense in keeping secret.

Nor do you have to make the rounds of the capital, making use of family and other connections and resorting to the power of money; you can work according the plan described by the Argentine newspaper OBSERVADOR ECONOMICO (article translated by ITAR-TASS).

"The Uruguayan firm 'Imaribo' has purchased KA-32 all-weather helicopters produced in the Moscow-region city of Zhukovskiy for ice survey and freight transport. These aircraft, which are a civilian version of series-produced combat machines, are being fitted with weapons in Uruguay by a group of Russian engineers. The helicopters will be resold to other countries. Peru's Armed Forces has already acquired one. The cost of each helicopter is at least $2.5 million. Peru intends to use this aircraft in the battle with the drugs mafia. Contracts for the sale of military versions of the KA-32 have already been concluded with a number of other Latin American countries."

Thus it is a question of trading in dual-purpose products, which can be used for both civilian and—with small modifications—military purposes. This category of goods includes, for example, trucks. If they are equipped with heavy machine guns or recoilless guns, they become military vehicles.

Trade in readymade weapons is more profitable. But, as is well known, a particular appetite for arms is shown by regimes which could not exist without bayonets and by regions which cannot conceive of settling conflicts except by the use of force. In general, the most profitable client is the very one whom it is undesirable to arm.

Governments usually avoid selling arms to potentially explosive regions. Moreover, the United Nations is conducting a campaign against the sale of arms and demanding that member states provide statistics for an international register currently being compiled. All this explains why the "Rosvooruzheniye" state company has established the post of the president's personal representative, who was until recently Marshal Yevgeniy Shaposhnikov, and the other day the Russian president appointed an adviser on questions of miltary-technical cooperation.

Central control is being tightened up, and arms dealers could find problems making a sale. Dual-purpose products make it possible to avoid these problems. Permits are not required for civilian goods, and it is not difficult for highly skilled engineers and technicians to convert a dual-purpose product into a weapon. "Such deals are possible," I was told in various official bodies. "But we do not record them."

Control over the export of dual-purpose equipment in Russia does not exist; such deals are not considered illegal.

The "Rosvooruzheniye" state company deals exclusively in military products. "Aviaeksport" sells civilian aircraft, but the manufacturing plant prefers to sell KA-32 helicopters on external markets itself. True, "Aviaeksport" has heard of the "Imaribo" company. Mikhail Lavrentyev, a research assistant with "Aviaeksport" (to be more precise, with one of its divisions by the name of "Vertolet" ["Helicopter"]), recalled the name of "Imaribo's" president, Pavel Ponomarev, who has an agreement with a manufacturing plant in the Bashkir city of Kumertau. Thus the city of Zhukovskiy in the Moscow area has nothing to do with this story.

Rafail Rafikov, chief of the Kumertau plant's export department, confirmed the existence of an agreement with Ponomarev, who pledged to put the helicopters on the Latin American market.

As yet there are no regular deliveries of KA-32's to Uruguay and the continent. The factory sent one civilian helicopter by sea to the city of Florida for exhibition and subsequent sale to anyone interested for roughly $2.5 million. The aircraft is being assembled on site by a group of Russian specialists. There is no question of weapons being involved.

Rafikov said that Latin America does indeed already have several KA-32 helicopters, which were invented in Kumertau and sold to countries of the Western hemisphere by private Russian companies. These aircraft are also ascribed to the plant, as if it had delivered them. If the enterprise's leadership learns of KA-32's being refitted for military needs, Rafikov asserted, they will be deprived of the plant's guarantee, and therefore servicing and spare parts.

I think that such stern measures will not be required. No one is interested in this type of trade in Russia, and sanctions and disapproval from the center should not be expected.

It is in Sweden that cabinet members must answer to the public for the sale of "semi-peaceful" products abroad. This was the case several years ago, when the press aired a rumor that Swedish-made high-speed pleasure launches with guns in the prow had turned up in the Persian Gulf. In order to avoid blunders in this sphere, Sweden set up, in addition to a Military Materials Inspectorate, an additional department specializing in dual-purpose products. But the Russian Ministry of Foreign Affairs, for example, commented: How the customer uses a truck or civilian helicopter is not a major problem. If someone engages in the reequipment of peaceful products, it is on their conscience.

If our private companies nevertheless adopt this scheme for penetrating foreign arms markets, sooner or later their business enterprise and the Russian state's lack of a legal infrastructure will find expression in foreign policy problems. This will happen as soon as a KA-32 or any other product with broad applications is noticed in the hands of those who have most need of them and whom the world community least wishes to arm.

Country To Join International Telecommunications Projects

MK0907105094 Moscow SEGODNYA in Russian 9 Jul 94 p 2

[Unattributed report: "Russia To Have 'Messenger' and 'Iridium'"]

[Text] Russian Federation Communications Minister Vladimir Bulgak has approved of the decision by the State

Commission on Electric Communications to carry out the "Messenger" and "Iridium" telecommunications projects on Russian territory. The "Messenger" project calls for the launch of 36 low-orbit satellites that will make it possible to set up a global system for exchanging textual and video information. The project's cost is estimated at $45 million. Russia's participation in the international "Iridium" project will enable customers to use any type of communications, including telephone, from any corner of the world for $3 a minute.

Political Issues

Burbulis Urges Postponement of Elections

MK1207105094 Moscow KOMMERSANT-DAILY in Russian 12 Jul 94 p 3

[Report by Valeriya Ochinyan, Dmitriy Kamyshev: "Gennadiy Burbulis Press Conference. Chief Strategist Forgets no Hurts, but Bears no Malice"]

[Text] The rock thrown by Vladimir Shumeyko to see if the powers of the president and parliament could be extended continues to produce political waves. One of them reached the Urals last weekend. While Gennadiy Burbulis, State Duma deputy and president of the "Strategy" fund, who visited Yekaterinburg, did not hide his hard feelings against Boris Yeltsin, he still spoke in favor of postponing the presidential and parliamentary elections.

Burbulis stated at yesterday's press conference in Yekaterinburg that he remains Boris Yeltsin's "direct and the most faithful supporter" and hence believes that the president and the current personnel of the federal parliament can very well work for four more years. Saying he still remembers the hurts done him by Yeltsin, Gennadiy Burbulis stressed that by proposing a postponement of the elections he is concerned with the good of Russia, because a calm situation in the country will enable the start of a new stage of constructive reforms.

The substance of this stage, as Burbulis put it, should be "to save the reforms from the too zealous reformers," whereas the first practical step should be to radically change Russia's administrative-territorial division. In this connection, Gennadiy Burbulis recalled the "useful experience" of the creation of a Urals Republic, and lauded the Sverdlovsk Oblast Duma for "constructive work to draw up the oblast's charter."

The fact that a member of the State Duma has no objections to the extension of his powers is not surprising. As clear is Burbulis' conviction that if the president stays on it would guarantee stability in society: Speaking about this he must lean for support on the glowing examples of North Korea and Iraq, which have attained full social accord. His proposal to alter urgently the "wrong" administrative-territorial division can hardly serve national accord: The stability reached by extending the president's powers would be reduced to naught by instability in some Federation components that would surely be unhappy about the "right" division.

Gennadiy Burbulis' praises for the fathers of a Urals Republic also sound odd: Describing himself as a faithful supporter of the president he at the same time admires an action that caused the president's ire some time ago. All these contradictions, however, once again confirm the enigmatic nature of the soul of a Russian deputy in general and of the soul of Deputy Burbulis in particular.

Filatov on Need To Resolve Local Government Issue

LD1207081094 Moscow ITAR-TASS in English 0612 GMT 12 Jul 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow July 12 TASS—Two tasks have to be accomplished before the new parliamentary elections in Russia in 1995: "The heads of administration in the component parts of the Russian Federation appointed by the president must be reelected and the problem of local self-government must be resolved," according to the Russian president's chief of staff Sergey Filatov.

Filatov told TASS that the representative bodies of state authority have been elected in sixty-five out of the eighty-eight component parts of the Federation, while the heads of administration have been elected in only nine regions. All the others were appointed by the president's decrees. All of them should go through elections procedures to bring the future Federation Council in line with the Constitution of the Russian Federation, under which only elected leaders of the representative and executive bodies of power can sit in the upper house of the federal legislature.

As concerns the State Duma, its future composition must be determined in a law on elections which has yet to be promulgated. "When drafting the new law the main question will have to be answered about whether the system of elections of one half of the deputies on party tickets and of the other half in one-mandate constituencies has justified itself," Filatov said. His personal view is that the system in accordance with which deputies were elected to the State Duma last December has proved to be effective: "The organisational principles of the State Duma are better than those of the former Supreme Soviet".

'Concern' Expressed Over Social Accord Violations

PM1107095094 Moscow ROSSIYSKIYE VESTI in Russian 8 Jul 94 p 1

["Statement by the Coordinating Commission for the Implementation of the Social Accord Treaty"]

[Text] "The Coordinating Commission for the Implementation of the Social Accord Treaty is concerned that some state figures and representatives of a number of social organizations who signed the treaty have recently made public statements containing disrespectful and sometimes even derogatory assessments and remarks about individual, political parties, other social organizations, and specific individuals who also signed the treaty," the statement says.

The commission believes that comments of this kind are not only not conducive to the maintenance of political stability in society but are also an outright violation of the Social Accord Treaty. It is appropriate to point out here that the Social Accord Treaty says: "Parties to the treaty are obliged to assert by their words and deeds the norms of ethical conduct in politics, economics, and public life."

The Coordinating Commission urges politicians to show mutual respect, tolerance, and a high degree of responsibility and to observe the provisions of the Social Accord Treaty." [quotation marks as published]

Duma Factions Insist Yeltsin Swear Oath Anew

LD1107152394 Moscow INTERFAX in English 1312 GMT 11 Jul 94

[Text] The Communist, Liberal-Democrat, and Agrarian parties' factions in the Russian State Duma insist that President Yeltsin take oath under the new Russian Constitution because during his original inauguration ceremony in 1991 he swore an oath under the old constitution which is no longer in force.

Chairman of the Duma Committee for Legislation and Legal Reform Vladimir Isakov told INTERFAX that the factions had submitted a bill "On the President's Oath," which was considered on Monday by the Duma Council.

The draft, calling on the president to take a new oath under the new Constitution before October 31, 1994, was handed over to the Duma committees, republics of the Russian Federation and to other "subjects of the legislative initiative."

If the oath is not made on the fixed date, the president's post is to be considered vacant, says the bill.

Isakov believes that the president's oath under the new Constitution will stop the President's "violations" of the Constitution. Isakov believes that the president violated the oath after signing the decree "On Urgent Measures to Protect the Population from Banditism [as received] and Other Manifestations of Organized Crime." He also cited "frequent threats" made to the Duma by officials on passing this or that law by presidential decree if it is not passed by parliament. He is referring to the situation with the federal program for privatization of state and municipal businesses after July 1, 1994.

Russian TV Hit Hard by Cut in Budget Funding

PM1207092394 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 9 Jul 94 p 1

[Report by Yevgeniy Kuzin under the "Mass Media" rubric: "The Only Way To Achieve Power Is Via TV Channels. War for Our TV Screens Hotting Up"]

[Text] The leaders of Ostankino and RTV are perplexed at the state budget signed by Boris Yeltsin last week. The fact is that the version presented by the deputies for the president's signature drastically cut the resources intended for financing the state's electronic mass media.

This fact was a surprise to the TV companies because quite recently they had managed to reach a financial compromise and persuade the government of the need to support the state TV service, albeit rather meagerly. After the distribution of the promised sums Ostankino was forced to cut the daily broadcasting time by approximately 4.5 hours while RTV cut it by 2 hours.

But less than a month passed before the TV companies' economists had to do their calculations again. It turned out that the "generous" amount of money offered by the deputies was only enough to pay for 49 hours of broadcasting a week on RTV (it has been allocated approximately 377 billion rubles). Ostankino is getting 121 billion more, so it can allow itself a little more.

The published budget has particularly angered the leaders of the All-Russia State Television and Radio Broadcasting Company also because when the deputies cut the funding they cited the Constitution and demanded 30 minutes of prime time television a day for their own speeches (somewhat akin to the now defunct "Parliamentary Hour" program). Of course, no one at the All-Russia State Television and Radio Broadcasting Company was in a hurry to change the broadcasting schedules to suit the people's elected representatives. There is a perfectly logical explanation for that. "We are thinking first and foremost of the viewers," one of the leaders of the All-Russia State Television and Radio Broadcasting Company told NOVAYA YEZHEDNEVNAYA GAZETA, "so we cannot leave the Russian people without their favorite programs, at least not at 1600-1700 hours at the weekends. Consequently on weekdays the viewers will be able to watch our channel only 2-3 hours a day."

Poptsov and Co. do not intend to give way and do not want to surrender their TV broadcasting frequencies to anyone (nature abhors a vacuum). As we managed to find out, all the leaders are seeking other sources of financing via "personal channels."

Ostankino has taken a more relaxed attitude toward the reduction of resources. Gennadiy Shipitko, the TV and radio company's deputy chairman, expressed the hope in conversation with your NOVAYA YEZHEDNEVNAYA GAZETA that the current problems can be resolved by civilized means. In addition, as we have already reported, Ostankino has created a company called "Reklama Kholding," which has bought up all the advertising time. Thus the chaotic situation to do with advertising on channel 1 is to end, and this will provide some increase in revenue.

Both companies' TV people are of one opinion: Someone must plug the gaps on the airwaves. If not the present authorities, then it will be those who are keen to replace them in 1996.

Economic Issues

Yeltsin, Chernomyrdin Confer on Economic Issues

LD1207125194 Moscow ITAR-TASS World Service in Russian 1225 GMT 12 Jul 94

[Text] Moscow 12 Jul—The latest working meeting between Russian President Boris Yeltsin and Russian Federation Prime Minister Viktor Chernomyrdin took place in the Kremlin today, the Russian Federation president's press service reported.

A range of economic issues relating to social stability and social welfare was examined. In particular, measures to prevent emergence of regional unemployment "black spots" were discussed. During discussion of economic issues, the president voiced concern at underfinancing of the legitimate requirements of the army and defense sector and also of a number of budget-financed agencies. During discussion of transportation of goods and materials to the Far North, the opinion was voiced that additional and "emergency" efforts will be needed from the government if this operation is to be concluded successfully.

Progress in implementing presidential decrees and instructions, economic in particular, was touched upon, and also possible disciplinary measures in this respect. The issue of personnel selection and placement also arose.

The president briefed Viktor Chernomyrdin on the outcome of the Naples summit.

Chernomyrdin Says Economy Hit by Industrial Crisis

LD1207102594 Moscow Radio Rossii Network in Russian 0900 GMT 12 Jul 94

[Text] The weakest point in the Russian economy is the crisis in industry, first of all, the crisis in sales, marketing and distribution, Russian Prime Minister Viktor Chernomyrdin said at a meeting with Russian ambassadors to African countries.

He said that Russia is no longer interested in increasing the number of shareholders. Henceforth, Chernomyrdin said, the controlling block of shares will be given to whoever is in a real position to finance production. Therefore, benefits to labor collectives will be reduced.

Chernomyrdin also said that inflation in May was seven percent and in June just over five percent. However, the premier said that this does not mean that the government is striving to bring inflation down to zero at this time. At the same time, he stressed that the Russian economy has begun to react more predictably to market changes.

Prognosis of Future Economic Outlook Prepared

LD1107202294 Moscow INTERFAX in English 1848 GMT 11 Jul 94

[Text] The Russian Economics Ministry has prepared a prognosis as to the country's future development for a government meeting scheduled for July 15. The ministry expects moderate inflation, slower production decline and higher individual incomes in the second half of the year.

The monthly inflation rate will range from 6 to 9 percent against 5 percent this June with a slight surge up to 10-11 percent in September-October. The industrial production will fall to 73- 75 percent of the existing level. Over the first half of the year, the production decline reached 26 percent against the same period last year. The gross domestic product will fall by 16-18 percent against 17 percent since January.

According to the ministry, the situation in the industries worst affected by the production decline, including tractor and agricultural machinery construction, electrotechnics and textile industry, will remain unfavorable.

Oil output in the third quarter of 1994 will total 78 million tons, which is 89 percent of the last year's level. Electric power production will drop by 7 percent. This year's harvest is expected to bring 87-91 million tonnes of grain against 99 million tonnes in 1993.

Experts said Russia's foreign trade will have a positive annual balance of $16 billion against $17.5 billion last year. Russian exports will remain the same, while imports are likely to grow by 8 percent.

Filatov Announces New Antipoverty Program

LD1207103394 Moscow ITAR-TASS in English 1005 GMT 12 Jul 94

[By ITAR-TASS correspondent Tamara Zamyatina]

[Text] Moscow July 12 TASS—A programme aiming to stabilise the standard of living in Russia, commonly dubbed as "the programme to combat poverty" will be unveiled before September 1 by Ella Pamfilova, the head of the Social Policy Council under the Russian president.

This was announced to ITAR-TASS by the president's chief of staff Sergey Filatov.

Another presidential structure working to stabilise the standard of living in the country is the centre of presidential programmes.

At present, 20 percent of the country's inhabitants are officially recognised as living below the poverty line, and between 20 and 30 percent of the population get "the survival minimum".

The programme to combat poverty is being developed "in pursuance of the agreement on civic accord in Russia, the signing of which prompted its members to make additional efforts in order to solve many problems," Filatov said.

Almost 22 Million Living Below Poverty Line

LD1107165094 Moscow ITAR-TASS World Service in Russian 1138 GMT 11 Jul 94

[By ITAR-TASS correspondent Liliya Kuznetsova]

[Text] Moscow, 11 Jul—An ITAR-TASS correspondent has learned that the number of Russian citizens with an income below the subsistence minimum remains high and today constitutes 22 million people.

Specialists at the Russian Labor Ministry are especially worried because among the poor there is a high percentage of employees in the budget-financed sphere and in enterprises that are in a difficult financial position. Moreover, the level of wages in many enterprises and even in certain sectors is now below the subsistence minimum.

Experts at the Labor Ministry shared with the ITAR-TASS correspondent their view that the predicted rise in unemployment will lead to an increase in the scale of poverty. The most important fact is that the ranks of the unemployed will be swollen considerably by those leaving school and higher education who are unable to find work.

The ministry's experts think that the problem of poverty demands an urgent solution, also because almost 15 percent of the population living below the poverty line already spend up to 80 percent of their monetary income on food, while for three percent of the population the money they have is only enough to buy the foods that make up the subsistence minimum. This, furthermore, is at a time when the trends for rapid growth in the price of basic necessities and the cost of housing, communal, transport, and medical services are continuing.

The ministry's specialists told the ITAR-TASS correspondent that "it is only possible to get out of this situation by drawing up and implementing the national program to combat poverty," which President Yeltsin spoke about at a news conference to mark Russian Independence Day. Moreover, the main emphasis should be placed on increasing labor income, changing investment and taxation policy, and guaranteeing effective employment for the population.

Finance Ministry Reports on Budget Expenditures

LD1107172594 Moscow INTERFAX in English 1517 GMT 11 Jul 94

[Text] The expenditure part of the country's budget for the first six months of this year runs at 61.8 percent of the amount planned, according to the Russian Finance Ministry.

The ministry's preliminary estimates of the country's social and economic performance in the past six months are to be sent to the government which is due to meet on July 15.

The ministry forecast a total of 18.5 trillion rubles in revenues from taxation and payments over the period or 64 percent of its estimates.

The rate of inflation ran at 8 percent in May compared with 21 percent in January and 10 percent in April.

Federal spending ran at 20.2 percent of GDP in the six months to July. Government expenditure for defense, the economy, social needs, culture and science, and the upkeep of law enforcement bodies ran at 19.3, 9.1, 9.9 and 7 percent respectively, according to the ministry.

Oil Exports Edict 'Restores Monopolist Structures'

PM1107132594 Moscow IZVESTIYA in Russian 9 Jul 94 p 2

[Report by economist Andrey Illarionov: "President's Unnoticed Edict Has in Fact Repealed Another Decision of His Which Was Noticed"]

[Text] The Russian president's 1 July edict "on deliveries of oil and oil products for export in 1994" has so far failed to attract as close public attention as preceding widely publicized economic edicts. And yet it should.

It is not only that, by restoring licensing and quotas for oil exports, he is completely cancelling out the president's famous 23 May edict "on the repeal of quotas and licensing for deliveries of goods and services for export" (signed just a month ago). And not even that this new decision of the executive power not only returns us to the previous inefficient and deeply corrupt procedure but also goes even further—it recreates and defends monopolist structures in the export of oil and oil products, legally banning the introduction of outside competitors in this sectors.

Over the past six months (except for the ban on voucher privatization) the government has done nothing even remotely reminiscent of economic reform. Over this time there has not been a single government decree or directive or a single president's edict which could be assessed as reformist.

Even the recent series of president's edicts have nothing to do with reforms. The overwhelming majority signify in my view either the restoration in covert form of administrative control over the economy (edicts on public enterprises, on state management of the economy, and on payments discipline) or are populist declarations like the reduction of tax rates by 10-20 percent.

The only exception was the president's 23 May edict "on the repeal of quotas and licensing for deliveries of goods and services for export." And although it did not affect a substantial volume of Russian foreign trade carried out in accordance with international treaties, it was nonetheless the first truly reformist step in the past six months. It is true that experienced experts immediately advised that we should be in no hurry to delude ourselves and that we should wait for 1 July—the date when the edict entered into force. And they were right. It was on 1 July that the present government's first and only relatively reformist step was in fact repealed.

The subsequent adoption and then repeal of its own decisions by the government is evidence of anything at all but not firmness of conviction, clarity of aims, and precision of ideas on the part of the people who made them. The government's activity over the past six months reflects not so much a "lack of desire for reform" as its lack in general of any clear ideas about economic policy or its consequences.

Fuel Shortages Feared in Fall, Winter

LD1107214194 Moscow ITAR-TASS World Service in Russian 1544 GMT 11 Jul 94

[Summary] Moscow, 11 Jul, (BUSINESS-TASS)—Insolvent fuel consumers as well as a reduction in the fuel extracted in Russia are complicating the preparation of industry, power engineering, and the municipal economy of Russia for the fall and winter of 1994-1995. BUSINESS-TASS has learned this at the Russian Fuel and Energy Ministry. By the beginning of July, consumers had stockpiled 6.7 million tonnes less coal, and 400,000 tonnes less fuel oil than at the same date in 1993. According to the industry experts, in order to catch up with the arrears, it is necessary to build up fuel reserves 150 percent faster in the third quarter of 1994 than last year.

As the electric power stations can no longer pay because of their insolvency, their gas and coal supplies have also been cut. This makes the problem of fuel reserves even worse.

Compared with last year, the supplies of petroleum products to agricultural consumers and to the areas of the far north are greatly lagging behind. According to the InforTEK agency, because of insufficient allocations and the wrong use of the funds allocated specially for the purpose, the supplies comprise just 60-70 percent of what they were last year. At the same time the agency experts note that refineries and organizations responsible for supplies of petroleum products have fuel.

Military & Nuclear Issues

Grachev Criticizes 'Discriminatory' Defense Budget

LD1107190594 Moscow NTV in Russian 1800 GMT 11 Jul 94

[Excerpts] [Correspondent Yelena Masyuk] This afternoon members of the Duma defense committee met the Russian Defense Minister Pavel Grachev. Naturally the main question discussed at the meeting concerned the 40.6 trillion that the State Duma has given the Defense Ministry. Grachev called the budget discriminatory.

[Begin Grachev recording] The defense committee has lost, the Defense Ministry has lost. We have both lost. [end recording]

[Masyuk] From the defense minister's point of view, at such a level of finance the only possibility for the Army to survive is to unite within the Armed Forces all other troops—border troops, railway troops, communication troops, and others, except for internal troops. The Defense Ministry cannot maintain two armies. The Russian military have been using the country's emergency reserves since 1993.

As regards the size of the Army, Grachev stated his disagreement with the figure of 1.5 million men, and considered that it should be raised to two million. [passage omitted]

At today's meeting, Duma members proposed that Grachev examine the possibility of raising the call-up age to 21. The defense minister approved this initiative, saying that in that case army service would be reduced to one year as, quote, at 21 they are already men.

The second question raised by the deputies is the planned auctioning to China and Korea of 24 military bases in the Baykal region in the next few months. Grachev said that that was inadmissible, even though the bases were built on bogs.

[Correspondent Sergey Ivanov] The State Duma defense committee and the Defense Ministry are equally interested in the country's defense capability being sufficient.

[Masyuk] In conclusion, a quote from Grachev's speech today—the army is the state's main tool.

Grachev on Effects of Defense Budget Underfunding

LD1107225894 Moscow ITAR-TASS World Service in Russian 1841 GMT 11 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 11 Jul—The sum of 40.6 trillion rubles allocated to the Russian Defense Ministry for this year is incredibly small, Pavel Grachev, head of the military department, believes. Meeting members of the State Duma committee for defense today he said that this year the Ministry needed 83 trillion rubles. The sum of 55 trillion examined by the parliament was the minimum that should have been retained but the legislators did not support it either.

Grachev noted that about 30 trillion from the military budget is earmarked for paying salaries to servicemen, workers, and the clerical staff of defense enterprises, pensions, and benefits. The ministry, however, has not received even this money. Only 8.6 trillion of the 15 trillion rubles that were to have been paid to the military budget by 1 July have been paid. There are no funds for combat and operational training of troops, upkeep of equipment, command posts, air bases, etc. The military are agonizing over the problem of how to feed and clothe servicemen and maintain hospitals and living quarters.

At the same time, the minister voiced his dismay caused by the fact that a civil air pilot earns several times more than his military counterpart, and this gap is growing in many areas. However, people have to wait for months to get even meager amounts of money. Social tension is rising, and officers are losing faith in possibilities of improvements and are leaving their ranks. According to sociologists, more than 70 percent of families of officers and warrant officers live on low incomes. The July 40 percent pay rise did not solve the problem, either, especially for those serving in remote garrisons.

Today Grachev frankly told the deputies that the Russian Army was kept afloat only because "it has delved into its own food, fuel, and clothing emergency supplies." We should not have done that, the minister said, but we had no choice. The emergency supplies, however, are not limitless, according to Grachev, and should be regularly replenished.

The army's shortage of funds has seriously affected the housing program. Of the 80,000 square meters planned for last year, only 60,000 have been built. For this year 100,000 have been planned, but only 40,000 can be realistically built. There are 180,000 officers who have no apartments and their number is growing.

Grachev: Civilian Life More Dangerous Than Military

LD1107220894 Moscow ITAR-TASS World Service in Russian 1709 GMT 11 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 11 Jul—Russian Defense Minister Pavel Grachev today voiced perplexity that the department that he heads should need special supervision from the state and public. We are supervised by the Security Council, the Russian president's national security aide with his staff, the state law administration, and the defense committees of the State Duma and of the Federation Council. We are in close contact with many public organizations. I do not understand what more control the Russian Army needs," the minister stressed.

Grachev, who today met members of the defense committee of the State Duma, told deputies that the Army was not infrequently accused of incidents and crimes and also the death of servicemen. According to the figures of the Ministry of Defense, the Armed Forces account for only 40 percent of crimes and cases of death. For Moscow this figure is 30 percent. All the rest are accounted for by the armed formations that some 15 ministries and departments possess today. But when an accident happens to a serviceman, his parents immediately accuse the Ministry of Defense, although, Grachev said, the ministry has nothing to do with the frontiersmen or the interior forces or other forces. He said he severely inquired about every loss, but he cited the following figures: Young men are killed in civilian life six times more often than in the Army.

Grachev on Armed Forces Composition, Cuts

LD1107210594 Moscow ITAR-TASS World Service in Russian 1604 GMT 11 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 11 Jul—Practically everybody who wears epaulets must be in the Russian Armed Forces, Defense Minister Pavel Grachev believes. He explained that what this meant was that (for reliable interaction with them) all the border guard troops, as well as the troops of the railway, construction, communications, and other sectors must be part of Russia's Armed Forces. As everybody knows, at present 15 ministries and departments have their own formations. The minister, however, did not deem it desirable for the interior troops of the Russian Interior Ministry and the state's special purpose subunits to be included in the armed forces.

Grachev, who met today members of the defense committee of the State Duma told deputies that this year the withdrawal of Russian troops from abroad will be completed. The military bases that will be set up abroad are the ones agreed between Russia and the countries of the near abroad, as well as the 14th Army in the Dniester area. In fact, the head of the Russian military department stressed, the 14th Army can hardly be called an army, considering its strength is only 2,500 people. Rather it is a brigade, Grachev said, and so its administration has been cut considerably.

Other structures are also undergoing cuts. In particular, the office staff of the commanders in chief in charge of various branches of service will be cut by 260-400 people. There will be cuts at the actual military department and the general staff office. "It is unacceptable that every third officer does his service in the administration. We must reinforce our combat units," Grachev stressed.

Safety Inspectors Stop Nuclear Reactor

LD1107152894 Moscow INTERFAX in English 1312 GMT 11 Jun 94

[Text] The reactor at Russia's Kalinin Nuclear Power Plant has been stopped, the Ministry for Emergencies said.

The ministry said the safety apparatus at one of the plant's units turned off the reactor at 7:23 P.M. on Sunday. The ministry gave no more details.

Regional Affairs

Krasnoyarov Official Discusses U.S. Visit

OW1107060194 Yuzhno-Sakhalinsk Teleradiokompaniya Sakhalin Television Network in Russian 1905 GMT 10 Jul 94

[Ye. Kolomiytseva report over video; from the "As of This Hour" newscast of the "Morning Cruise" program]

[Text] At a news conference held by oblast Governor Yevgeniy Krasnoyarov in the oblast administration today, representatives of the local media had an opportunity to ask questions about the results of the administration head's visit to the United States; and in particular, the state of Alaska, where he signed an agreement between our oblast and the U.S. state. The governor stressed that, in a short period of time our American neighbors have managed to make noticeable progress in the development of their economy.

By coincidence, the news conference also gave Valiula Maksutov, oblast Duma chairman, an opportunity to report on his recently completed visit to Khabarovsk where he took part in a meeting which specifically discussed the reanimation of the Far East Association.

Digressing a little from these topics it should be added that the question of the forthcoming visit to our oblast of Vladimir Zhirinovskiy, State Duma deputy and LDPR [Liberal Democratic Party of Russia] leader, was also raised at the conference. In connection with this, the governor reasoned that the State Duma representative and his team should be welcomed in the proper manner and that his visit should be used to further the interests of oblast residents.

Situation Relatively Calm in No. Ossetia

LD1107130894 Moscow ITAR-TASS in English 1235 GMT 11 Jul 94

[By ITAR-TASS correspondent Valeriy Shanayev]

[Text] Vladivostok July 11 TASS—The operational situation in the northern area of North Ossetia stays relatively calm, where a state emergency is in force as of July 31. According to a military source, no conflicting situations were reported on interethnic basis during the last 24 hours. Russian army detachments in interaction with the provisional administration are in control of the situation in the region.

According to Gatsyr Djagoyev, head of the local self administration of the Prigorodski area, in settlements measures are being taken to realize the restoration of order and billeting refugees and forced immigrants to the places of their former compact living areas. An active explanatory work is underway among the population's area. Djzagoyev emphasised that forced methods of returning the refugees to the settlements of Prigorodski area would not resolve this extremely complicated problem.

The main role here is to be played by reconciliatory commissions which have been formed in all settlements. They are considering applications of refugees, which, observing the principal of voluntariness, expressed the wish to return to their old places of residence. The provisional administration is coordinating the work of refugees and forced immigrants, and a special section on problems of refugees has been opened in its structure, he said.

In the meanwhile, Georgiy Kozayev, first [deputy] chairman of the North Ossetian government, told ITAR-TASS that the agreement on demarcating powers between the republic and the Russian Federation is expected to be signed in the city of Vladikavkaz on October 7. This day is to be solemnly marked with programmes devoted to the 220th anniversary of Ossetia's joining Russia and the 210th anniversary of the city of Vladikavkaz's foundation.

The first deputy head of the republic's government headed the commission for preparing a draft agreement. It has been assigned the task of working out and submitting a draft of this document for the Government of North Ossetia's consideration.

Georgiy Kozayev thinks that Nikolay Yegorov's initiative of the Russian minister of nationality and regional politics affairs, Nikolay Yegorov's initiative on opening an Institute of the Caucasus in Vladikavkaz, which will work out main directions of the harmonization of interethnic relations in the region, undoubtedly, deserves attention.

Attempt To Smuggle Arms Into Ingushetia Thwarted

PM1107133594 Moscow ROSSIYSKAYA GAZETA in Russian 9 Jul 94 First Edition p 2

[Interview with General Nikolay Vodko, first deputy chief of the Interim Administration of the State of Emergency Area, by Vladimir Lyubitskiy, chief of the Interim Administration press center, in Vladikavkaz; date not given: "3,000 Guns on Board Civilian Airplane. Shipment of Weapons Into Emergency Area Prevented"]

[Text] Reports about an abortive attempt to ship a large consignment of weapons into the area of the state of emergency on the territory of the Republics of North Ossetia and Ingushetia have appeared in the mass media. We asked General Nikolay Vodko, first deputy head of the Interim Administration of the state of emergency area, for details. Here is what he said:

[Vodko] We received a report through Federal Counterintelligence Service channels on the evening of 22 June that an airplane containing weapons was on its way from Izhevsk to the airport of Sleptsovskoye (Republic of Ingushetia). The Ministry of Internal Affairs Caucasus Region Internal Affairs Administration was urgently informed. We issued instructions that the airplane be forced to land for an examination at an intermediate airport. This task was carried out efficiently by the North Caucasus Military District Air Force, which made the An-12 airplane of the Perm Aviation Detachment land in Astrakhan. On our instructions, the chief of the Astrakhan Oblast Internal Affairs Administration checked the cargo. As a result of this, it turned out that the airplane was carrying not sporting weapons, as listed in the documents, but Makarov combat pistols—3,000 of them. And they were bought from the plant which manufactured them by a Russian-Cypriot firm, "Lore Trading ITD," which had received a license for trading in weapons from the relevant Russian bodies.

[Lyubitskiy] So how come combat weapons were found on board the airplane instead of sporting weapons?

[Vodko] Unfortunately, this is now easily done in our country. In order to "camouflage" a combat pistol, all you need to do is put a sight leaf on it and give it a new name, such as "IZh 70 sport pistol." The firm concerned bought them at the plant for $115 apiece.

Obviously, the people who have been entrusted with issuing licenses for the production and sale of weapons have a completely irresponsible attitude to this. At the plant reasonable commercial interest has been overshadowed by the thirst for profit, and even the threat against people's lives does not prevent this.

And that is not all! The firm could not transfer its right to sell the weapons to a third party, but the deal was done on its behalf by a representative of an individual enterprise IChP [Individual Private Enterprise] "Avan," a certain A. The Astrakhan Oblast Internal Affairs Administration has instituted criminal proceedings in this affair. A. has been arrested and an investigation is being conducted.

[Lyubitskiy] But if it is so easy to conclude weapons deals, then isn't this a "question," so to speak, for the relevant organs?

[Vodko] Yes, of course. According to our data, there is virtually mass "reequipment" going on: The famous

Makarov pistols are being turned into apparent gas weapons, starting pistols, double-barreled sporting weapons, and so on.

This kind of "disguise" is harmful to society. Combat weapons should be used strictly in accordance with their purpose. As for gas weapons and sporting weapons, then Russia is now so saturated with them that there is no point in "inventing" any more. And the people sanctioning such operations should bear the responsibility for this. It seems that the investigation will sort this out.

Dagestan Adopts New Constitution; Arguments Continue

LD1107172894 Moscow Russian Television Network in Russian 1200 GMT 11 Jul 94

[Video report by correspondent O. Mamedova in Dagestan; from the "Vesti" newscast]

[Text] [Mamedova] The Republic of Dagestan is adopting a new Constitution, making it the last Russian republic to do so. This is already the third session of the Dagestan Supreme Soviet to have discussed the draft point by point. Although the draft Constitution, which is based on the Russian version, was unanimously adopted after lengthy debate, there is still no agreement on the establishment of a State Council, the body that will head the executive branch. According to the law that has been adopted, the council will be made up of representatives of the principal ethnic groups inhabiting Dagestan. Strange at it may seem, this upsets not just deputies from those groups that are denied representation there, but also Gadzhi Makhachev, the leader of the Avar National Movement, the most numerous group.

[Begin Makhachev recording] I am opposed, in principle, to the idea of a State Council. Why do we have to play these games? If we are going to reach a decision on this, let us settle for the way these things are done in all other republics. In other words, let us have presidential rule and a president elected by the entire people. [end recording]

[Mamedova] At two referendums the citizens rejected the idea of presidential rule in the republic. That is what led to the idea of establishing yet another state body, the State Council. We will have to wait and see what happens next in Dagestan.

Yakut Deputies Pass Resolution on Economic Emergency

LD1107153194 Moscow INTERFAX in English 1312 GMT 11 Jul 94

[Text] The Yakutian parliament on July 11 passed a decision on the emergency nature of the social and economic situation in the republic and informed the Russian parliament, government and the president.

The resolution passed by the Yakutian parliament names among the main causes of the growing economic crisis the inadequate crediting for importing goods. In addition, the Yakutian leadership notes large-scale non-payments between enterprises under lower rates of inflation.

As of June 1, 1994 enterprises' debts amounted to 4,000 billion rubles. According to the statistical service of Yakutia, 85 percent of the republic's enterprises have no funds to pay-off bank credits.

Deputies of the Yakutian parliament believe that the situation in 1994-95 may aggravate due to the slow supply of goods to the republic during 1994.

On June 25 the supply was 10-15 percent the level it was at the same time in 1993. Yakutian parliament deputies connect the situation with the fact that Moscow did not set aside necessary credits on time.

International Affairs

Kuchma on Masol, Black Sea Fleet, G-7 Loan, Russia

LD1107190294 Kiev UNIAN in Ukrainian 1700 GMT 11 Jul 94

[Text] Dnepropetrovsk, [no dateline as received]—Leonid Kuchma gave an exclusive telephone interview to a UNIAN correspondent today.

In reply to a question about probable personnel changes in Ukraine's government he replied that he will be consulting with Prime Minister Vitaliy Masol and Supreme Council Chairman Oleksandr Moroz, "but I think that for the moment, Vitaliy Masol will head the government."

In reply to a question about the probable use of a $4 million credit that the G-7 countries intend to give to Ukraine, Leonid Kuchma said that in the first instance it should be used to restructure the economy and also to invest in branches that have a future. Leonid Kuchma gave assurances: "We must not allow the credit to be spent on food."

Asked whether these funds will be used to create a stabilization fund to introduce the hryvna, he noted that it will not be worth speeding up the introduction of this monetary unit. The economy and finances must be stabilized first.

Regarding relations with Russia, Leonid Kuchma is convinced that all the obstacles between the states in the economy and trade that had arisen over the last few years must be removed.

Touching on the division of the Black Sea Fleet and the problems of Sevastopol, Leonid Kuchma replied that it was a complex problem and that "there were no ready answers to these issues."

Zlenko Outlines G-7 Summit Priorities

944F0929A Moscow NEZAVISIMAYA GAZETA in Russian 5 Jul 94 p 3

[Interview with Anatoliy Zlenko, Ukrainian foreign minister, by Vladimir Skachko; place and date not given: "The G-7 Intend To Discuss the 'Ukrainian Question'"]

[Text] The regular meeting of the leaders of the seven largest industrially developed countries in the world will be held 8-10 July in Naples. The question of extending economic assistance to Ukraine will be specifically brought up in that forum for the first time. (To be sure, representatives of Ukraine have not been invited to that meeting.)

[Skachko] Why in your view has the G-7 agreed to take up the "Ukrainian question?"

[Zlenko] This question has its own history. Even earlier, long before the final decision was made to meet in Naples, we conducted negotiations with the U.S. Administration and raised the question of making our relations more balanced, of not concentrating attention solely on military-political matters, but dealing equally with the need for economic cooperation. Precisely because we initiated the problems of making our relations more balanced, we were able to make subsequent progress in understanding that the U.S. Administration has the ability on the whole to influence the international community with a single objective: to draw attention to the economic reforms in Ukraine and economic assistance for Ukraine.

Then there were other meetings; we felt for the first time during our president's meeting with President Clinton in Borispol that the latter intended to raise the issue of the need for economic assistance for Ukraine with other G-7 countries. It was at that point that our specific work began not only with the U.S. Administration, but also with the leadership of other G-7 countries. We felt the changes in the attitude of the G-7 countries towards Ukraine especially after the tripartite declaration was signed in Moscow on 14 January of this year. The international community has changed its position towards Ukraine, and we have begun to emerge from international isolation. We might also mention other negotiations in which we never stopped insisting on the need to pay attention to our problems, especially on the part of the G-7 countries. We are very happy that the G-7 will finally turn their attention to us.

[Skachko] Of what specifically will consideration of the "Ukrainian question" in Naples consist?

[Zlenko] This June, President Leonid Kravchuk sent a letter to that effect to the G-7 leaders. Even before that, in May, the Ukrainian Foreign Ministry sent the G-7 countries a special memorandum calling attention to the problems which in our opinion must be taken up by the G-7. On 29 June of this year our president sent another letter containing specific proposals to which we would like to draw the attention of the meeting in Naples.

[Skachko] What kind of proposals were they?

[Zlenko] In the two letters and memorandum we focussed attention on social problems related to shutting down the Chernobyl AES [nuclear power plant] and assistance to Ukraine in that connection. In addition, we raised the question of dealing with the welfare problems of people who have to be resettled out of the disaster zone and placed in jobs. And finally, for us it is very important to redirect the infrastructure of the Chernobyl zone and especially the city of Slavutich itself.

Protection of the health of the population of Ukraine is the second issue. Emphasis was put on the need to settle the question of possibly extending loans for radical modernization of existing capacities and building new ones for the production of drugs, including the prospect of creating joint ventures, with the G-7 states providing technologies, equipment, and certain kinds of raw materials. We also took up the question of the possibility of the European Union [EU] furnishing 500 million ECU's to shut down the Chernobyl AES and solve all related problems.

[Skachko] And what specific amounts might be involved?

[Zlenko] The question of specific amounts will not be raised at the meeting in Naples. In Naples a policy decision will be made, and it will create the appropriate framework for dealing with specific problems in the future. The G-7's point of departure is that a special conference may be held in the early fall in Canada to take up specific amounts, in which representatives of Ukraine and the G-7 would participate.

[Skachko] The Canadian conference would be at what level?

[Zlenko] A final decision has not been made on that, nor has it even been discussed. Possibly deputy foreign ministers, possibly ministers for the economy. But, I repeat, this conference will concentrate on the proposals we advance and on the proposals advanced by the G-7. It is at that conference that specific amounts will be discussed.

[Skachko] Leonid Kravchuk has told journalists that he is not going to Naples, but he has been invited to a meeting in Paris, where specific issues are also to be taken up. What can you say about that?

[Zlenko] Without getting ahead of myself, I would like to say that we are today conducting consultations with the French. Yesterday a representative of the French prime minister, Edouard Balladur, flew to Kiev, where he will have meetings with our prime minister and other ministers whose duties directly relate to Chernobyl. They will take up specific issues, but I would not want to be at all specific for the present....

[Skachko] The fact that the Ukrainian parliament is raising the issue of possibly halting the removal of strategic nuclear weapons to Russia has somehow been reflected in the attitude of the world community toward Ukraine?

[Zlenko] The reaction of individual countries was immediate and unanimously negative. They believe that going back to this question will do Ukraine considerable harm. Not only to our country's image, but also to the resolution of a number of problems which the world community looks on favorably at the present time. And this of course concerns above all economic assistance either through the EU, through the G-7, or on a bilateral basis. And I would also like to say that today there is no basis whatsoever for the Ukrainian parliament to raise the question of halting the removal of strategic nuclear weapons to Russia, since all the parties are performing their obligations in a disciplined way.

[Skachko] But is it not possible that the president of Russia will exert an adverse influence on consideration of the "Ukrainian question" in Naples?

[Zlenko] I see no problem in that regard, especially since the Russian president's participation in that meeting will be representational; he will be admitted only to the concluding session, when certain policy questions may be discussed, and consequently, in those meetings where specific issues are discussed, including the Ukrainian question, only representative of the G-7 countries will be present. I do not think there is a possibility of any kind of influence. Especially since it is not in the interests of Russia, I am convinced, and many Russians agree with me, to stand in the way of the granting of assistance to Ukraine. We need to have a clear awareness that the better things go in Russia, the better they are in Ukraine, and if problems in Ukraine are resolved better, this will have a direct favorable influence toward improvement of the situation in Russia. We face the same problems, and we must solve them together.

[Skachko] What do you personally expect from the meeting in Naples?

[Zlenko] This meeting will be a definite milestone for our state. It is a kind of admission ticket that Ukraine can use to open the door to the world community. The meeting in Naples is for us a political action that indicates that Ukraine is today being perceived in the world, and it is being perceived above all thanks to its consistent, balanced, and forecast policy. After that meeting, in my view, Ukraine will have additional opportunities to cooperate successfully with the countries of the world community. This meeting—and we anticipate adoption of a favorable policy decision on the "Ukrainian question"—will afford us the possibility of attracting attention of many countries to our problems and of concentrating their attention on granting specific economic assistance to Ukraine. This meeting will be a stage on the road towards Ukraine's integration into the world community.

Foreign Minister Outlines Hopes for G-7 Summit

WS1107123494 Kiev KIYEVSKIYE VEDOMOSTI in Russian 7 Jul 94 p 3

[Interview with Ukrainian Foreign Minister Anatoliy Zlenko by Sergey Rakhmanin; place and date not given: "Anatoliy Zlenko: 'The Great Seven Meeting in Naples—Ukraine's Ticket to the World Community'"]

[Text] A meeting of the leaders of world's seven most industrialized nations will be held in the Italian city of Naples from 8 to 10 July. The leaders of the most powerful countries—the United States, Canada, Japan, Great Britain, Germany, France, and Italy—meet every year at an informal summit to discuss global issues and make decisions defining the course of economic processes on our planet for the coming year.

This year, for the first time in the history of the "Great Seven," the summit's agenda will also include the "Ukrainian question." It is expected that the summit will see the adoption of decisions regarding assistance to Ukraine, which is necessary to close the Chernobyl nuclear power plant, as well as credits for the implementation of economic reforms.

On the eve of the Naples summit, Ukrainian Foreign Minister Anatoliy Zlenko was interviewed by a group of Ukrainian journalists, who will be reporting on the "Great Seven" summit. Their trip to Naples has been organized by the "Vidrodzhennya" fund and the "Nova Mova" center. A KIYEVSKIYE VEDOMOSTI correspondent was also among the journalists.

[Rakhmanin] What steps has Ukrainian diplomacy taken to make the leaders of world's leading nations adopt appropriate decisions regarding Ukraine? Is the debate on

Ukraine's problems not a formal measure aimed at demonstrating the "Great Seven's" attention to the "Ukrainian question?"

[Zlenko] This issue has its own history. Already a long time ago, we discussed the issue of adjusting our relations with the United States and other leading Western countries (this relates to shifting the emphasis in our relations from defense to economic matters). We have gradually been moving in this direction, believing that the U.S. position can positively influence the world community.

During his meeting with Ukrainian President Leonid Kravchuk at Boryspil airport, U.S. President Bill Clinton for the first time stated that the issue of economic assistance to Ukraine will be addressed by the "Great Seven" countries. This was followed by our specific work in this direction. Particularly positive changes began after the signing of the Ukrainian, U.S., and Russian presidents' tripartite statement concerning the deployment of nuclear weapons on Ukrainian territory. Ukraine began to emerge from international isolation. Our diplomats have held an entire range of meetings with experts from the "Great Seven" countries. One of the most significant results of this activity was an agreement on partnership and cooperation with the European Union [EU], signed by Ukraine last month. Our state became the first country of the former USSR to have reached such an agreement.

President Leonid Kravchuk has sent numerous letters to the leaders of the world's leading industrialized countries. The latest such appeal, which included specific proposals concerning the debate on Ukraine's problems at the meeting, was sent on 29 June.

We have focused our attention on welfare issues connected with closing the Chernobyl nuclear power plant, as well as on credits for creating capabilities for medicine production in Ukraine. EU has already made the first move in this direction. Ukraine has been granted 500 million ECU to resolve the Chernobyl issue.

We believe, however, that this only was the first step. We expect specific decisions regarding assistance to Ukraine in the conversion and implementation of economic reforms.

[Rakhmanin] Does this mean that specific sums for assistance to Ukraine will be earmarked in Naples?

[Zlenko] Primarily, one should count on political decisions, and more specifically, a special conference of the "Great Seven" devoted to Ukraine's problems, will be held as early as this fall in Canada. Additionally, decisions by the leaders of the world's leading industrialized nations will be determinative for international financial organizations, which will decide on specific sums.

[Rakhmanin] Many influential Ukrainian legislators have recently been addressing the issue of halting the removal of nuclear arms from Ukrainian territory, due to "violations of the tripartite statement provisions." How might this influence decisions of the "Great Seven" leaders?

[Zlenko] It has only been a few days since these statements were voiced, and we have already sensed a negative reaction from all over the world. The entire world is unequivocally and unanimously voicing its negative attitude toward such an interpretation of this issue. We are being told that such a stance can damage our image and bring about serious consequences. Primarily, this relates to economic assistance to Ukraine.

According to my information, this issue will not be discussed. I should add, however, that there are no grounds to address this issue, since all sides are strictly adhering to provisions set forth by the tripartite statement.

[Rakhmanin] Russian President Boris Yeltsin is to join the "Great Seven" leaders on the last day of the summit. Undoubtedly, issues concerning Ukraine will also be discussed at this meeting. What is your standpoint on this event?

[Zlenko] First and foremost, the presence of Boris Yeltsin at this meeting will only be of a representative nature. Second, I do not think that one should expect any negative influence on Ukraine's problems from this meeting. Moreover, in general, it is not in the interest of Russia to obstruct assistance to Ukraine. Russia should be interested in a strong and stable Ukraine, just as Ukraine should be interested in a strong and stable neighbor—Russia.

[Rakhmanin] What importance can the "Great Seven" debate on Ukraine's problems have for Ukraine itself? What do you expect from this meeting?

[Zlenko] The meeting represents a certain boundary which our country must cross. For Ukraine, it is a particular pass, thanks to which we will be able to open doors to the international community. The first decisive step in this direction has already been taken following the agreement reached between Ukraine and the EU. Following the "Great Seven" meeting and their decisions regarding Ukraine, new great possibilities for integration with the world's leading countries will open up for our state.

Masol Votes, Reacts to G-7 Aid Offer

LD1007153494 Kiev UNIAN in Ukrainian 1330 GMT 10 Jul 94

[Excerpt] Kiev—On 10 July, after voting at polling station No. 922/1 of the City of Kiev, Ukrainian Prime Minister Vitaliy Masol stated to the press that the formation of the government has been completed "by 90 percent." "The government is at work. The first session of the Cabinet of Ministers presidium has taken place," the prime minister said.

Commenting on the Naples decision by the "G-7" leaders to grant financial assistance to Ukraine of $4 billion U.S. dollars over two years, Masol had a restrained attitude toward this event. He recalled that the industrial countries of the West had made many promises to states of the former Soviet Union. (?However, he observed, we will wait and see)." [passage omitted]

Atomic Committee Head Prepared To Resign Over G-7 Help

LD1107195794 Kiev UNIAN in Ukrainian 1700 GMT 11 Jul 94

[Text] Kiev, [no dateline as received]—Today, Mykhaylo Umanets, the chairman of Ukraine's State Committee for the Use of Nuclear Power, made a statement to the press on the occasion of Ukraine receiving $200 million to close down the Chernobyl AES [nuclear electric power station] from the G-7 countries. Mykhaylo Umanets said that a joint Ukrainian-U.S. assessment of the possibility of exchanging the Chernobyl AES with other sources of energy was worked out in June 1994. The document, which was signed by representatives from Ukraine's State Committee for Atomic Energy, the Ministry of Energy, and the U.S. Ministry of Energy gives the following assessment: The basic stages for decommissioning 1-3 blocs of the Chernobyl AES—U.S. $1.396 billion; commissioning the sixth bloc at Zaporozhye AES instead of those being closed down at Chernobyl—U.S. $292 million; the second bloc at Khmelnitskiy AES—$485 million, and the fourth bloc at Rovno AES—$495 million.

"I consider it inexpedient to promise to close down the Chernobyl AES with this assistance," Mykhaylo Umanets said.

In reply to a question from a UNIAN correspondent how he intends to spend the 200 million U.S. dollars promised by the G-7 countries, the chairman of Ukraine's State Atomic Committee said that he will not work with such an amount of money but will resign.

Delegation Leaves for G-7 Follow-Up Meeting in Paris

LD1207094094 Kiev UNIAR in Ukrainian 2130 GMT 11 Jul 94

[Text] Kiev, 11 Jul—A Ukrainian Government delegation headed by Roman Shpek, minister of the economy, has left for Paris. The delegation will take part in a consultation, at which issues of implementing the decision taken by the "G-7" heads of state in Naples regarding granting economic assistance to Ukraine will be discussed.

Crimea Concludes Trade Pact With Tatarstan

PM1107150594 Moscow KRASNAYA ZVEZDA in Russian 7 Jul 94 p 3

[Report by Vladimir Pasyakin: "Simferopol Breaks Blockade, But Only in the Kazan Sector As Yet. Agreement on Trade, Economic, and Technical Cooperation Signed Between Republic of Crimea and Tatarstan"]

[Text] The agreement envisages the granting of most-favored status to the sides in the sphere of banking and financial and credit arrangements and the financing of programs of mutual interest. In order to improve the payment and settlement mechanism a Tatarstan bank will open branches in Simferopol and Sevastopol and a Crimean bank will open a branch in Kazan. There are also plans for a regular Kazan-Simferopol air service.

The signing of the agreement, according to Republic of Crimea Vice Prime Minister Yevgeniy Saburov, means that the peninsula has broken the economic blockade it has faced of late. The next stage, according to the Crimean leader, will be the fleshing out of agreements with Russia and Chuvashia.

According to the documents signed in Sevastopol, a Tatarstan trade and economic mission has already been opened in Sevastopol. There was a discussion of the prospects of cooperation and its mutually advantageous nature at the press conference marking the event. The prospects for Crimea are first and foremost a definite solution of the problem of the supply of energy sources. For Tatarstan they are a real chance to provide its citizens with recreational facilities.

During the Tatarstan government delegation's visit to Sevastopol there was a meeting at the Black Sea Fleet headquarters between Tatarstan Prime Minister Mukhammat Sabirov and Fleet Commander Admiral Eduard Baltin. The prime minister spoke highly of prospects for the construction of a merchant port and transport terminal in Sevastopol and the organization of air charter services.

Pakistani Foreign Minister Holds Talks on Relations

AU1107120694 Kiev HOLOS UKRAYINY in Ukrainian 8 Jul 94 p 8

[Unattributed report: "To Strengthen the Bridge Between Kiev and Islamabad"]

[Text] Minister of foreign affairs of the Islamic Republic of Pakistan Sardar Asif Ahmad Ali was in Ukraine on an official visit. On 6 July, he had a meeting with Vice Prime Minister Valeriy Shmarov. In the course of the meeting, questions regarding the expansion and intensification of bilateral relations between Ukraine and Pakistan were discussed. In the opinion of the vice prime minister, the two sides have lost something by not having arranged such a meeting earlier. Pakistan is interested in developing relations with Ukraine, Sardar Asif Ahmad Ali stated. We, he said, agree that much time had been lost without establishing such ties. However, we are now ready to expand and intensify them at a reasonably fast rate, both in the political and economic spheres. On the same day, the head of the External Political Department of the Islamic Republic of Pakistan received Ukrainian Minister of Foreign Affairs Anatoliy Zlenko. In the course of talks, the ministers favored the creation of a contractual and legal foundation for their cooperation and elaboration of mechanisms for an effective system for interaction between the two states at all levels and also exchanged opinions on main international problems that present mutual interest. Quite a number of questions that concern trade and economic contacts between Ukraine and Pakistan were discussed during the meeting between the Pakistani minister and Ukraine's minister of external economic ties, Oleh Slyepichev.

Parliament Speaker Holds Talks With Austrian Counterpart

AU1107163994 Kiev HOLOS UKRAYINY in Ukrainian 8 Jul 94 pp 1, 3

[Report by the Press Center of Ukraine's Supreme Council and UKRINFORM: "Chairman of Ukraine's Supreme Council in the Austrian Parliament"]

[Excerpt] [Passage omitted]

The dialogue between president of the Austrian parliament Heinz Fischer and chairman of Ukraine's Supreme Council Oleksandr Moroz that took place on 5 July in the presidential residence in Vienna marked a new and practically first page in the active expansion of parliamentary ties between Austria and Ukraine.

The speeches by Heinz Fischer and Oleksandr Moroz at the session of the CSCE Parliamentary Assembly were very much in tune, both in terms of their political goals and methods of their achievement—only by peaceful means and by way of taking into account, as best as possible, the interests and efficient parliamentary policy regarding the settlement of existing and prevention of possible conflicts.

Taking into account the radical changes in the political landscape of Europe, changes associated with the collapse of totalitarian regimes in a number of Eastern European countries and the emergence of new sovereign states on the territory of the former USSR, the sides showed unanimity in the need to look for new forms of general European cooperation, new thinking, and new approaches on a multilateral and bilateral basis for implementing the dream of a free, united, and safe Europe. Oleksandr Moroz supported Heinz Fischer's idea on the need to renew the CSCE functions the president of the Austrian parliament expounded in his speech at the session, and advanced a number of concrete proposals. Very important for our young democracy is Austria's parliamentary experience and international prestige, he said.

The chairman of the Austrian parliament expressed his positive attitude on the proposal by the Ukrainian colleague on the creation of deputies groups for interparliamentary cooperation that would represent the interests of the sides in the parliaments of Ukraine and Austria. He accepted with gratitude Oleksandr Moroz's invitation to visit Ukraine at any time convenient for him, to speak before the Supreme Council and thereby continue the dialogue started in Vienna.

The sides exchanged opinions on possible peacekeeping and humanitarian initiatives, implementation of programs for ensuring the rights of ethnic minorities, and the parliaments' joint steps and active position in determining trends in foreign political activity. "Taking advantage of the presence of the press, I would like to stress," said Heinz Fischer, "that Ukraine is an extremely important element of Europe and a great state with a powerful economic potential. It is very interesting for us politically, and we will respond positively to its proposals."

The talks proceeded in an atmosphere of complete mutual understanding, similar views of European developmental processes, and readiness to establish close cooperation for the benefit of the two nations. The president of the Austrian parliament wished Ukraine's Supreme Council chairman a pleasant stay in Vienna and Austria, and success to the delegation he heads in its work at the third session of the CSCE Parliamentary Assembly.

Yuriy Kostenko, Ukraine's ambassador extraordinary and plenipotentiary in the Austrian Republic was present during the conversation.

National Affairs

Kuchma Declared Victor in Presidential Election

LD1107125494 Moscow ITAR-TASS in English 1204 GMT 11 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev 11 July TASS—Leonid Kuchma has been elected president of Ukraine. Kuchma, 55, an ethnic Ukrainian, was born into a peasant family in the village of Chaykino, the Chernigov region.

His father was killed at the front, defending blockaded Leningrad. His mother worked at a collective farm all her life, his elder brother and sister worked at coal mines. After graduating from Dnepropetrovsk University in 1960 he went to work in the aerospace industry, specifically at the Yuzhnoe design office, in Dnepropetrovsk. At the age of 28 he was appointed technical director of trials at the Baykonur space launch complex. In 1982 he became assistant to the chief designer. Between 1986 and 1992 he worked as the director general of the Yuzhnyy Mashinostroitelny Zavod production association. Between October 1992 and September 1993 he held the post of Ukrainian prime minister. In December 1993 he was elected president of the Ukrainian Union of Industrialists and Entrepreneurs. Kuchma is a winner of the Lenin prize and the state prize of Ukraine, as well as a professor of Dnepropetrovsk University and member of the Engineering Academy of Ukraine. He is married and has a daughter.

In the opinion of Kuchma, "it is not political games of the mediation character between European countries and Russia, but the role of a conductor and integrating element in the centre of the Eurasian region, that will make Ukraine a well-to-do civilised country...[ellipses as received] It is necessary to start with putting our own country in order." he believes, this can be done with the help of "effective executive authorities, headed by the president, which will rely on the confidence of the people, will stop the sliding down towards the abyss and will lead the country along the path of progress, harmony and prosperity."

Electoral Commission Declares Kuchma Winner

LD1107162194 Moscow INTERFAX in English 1517 GMT 11 Jul 94

[Text] According to updated preliminary information from the Ukrainian Central Election Commission at 1530 local time (Moscow time 1630) Monday, Leonid Kuchma won the Ukrainian presidency with 14,016,780 votes, or 52.15 percent of the total of votes cast.

A total of 12,111,624 voters cast their ballots in favor of Leonid Kravchuk.

According to constantly updated information, 25,926,498 people, or 69% of electors, cast their votes.

Kravchuk Concedes Defeat

LD1107123494 Moscow ITAR-TASS in English 1220 GMT 11 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev 11 July TASS—Leonid Kravchuk officially admitted that he had lost presidential elections, his spokesman Nikolay Khomenko told TASS on Monday [11 July].

Although there are no full data in the Central Election Commission yet, Khomenko said that according to available returns, Leonid Kuchma had won the elections. Various sources in the election commission confirmed to TASS that Kuchma had won over 50 per cent of the vote.

The Central Election Commission is to announce preliminary results by 1700 hours local time (1500 GMT).

Overall Vote Tally

WS1107150794 Kiev Ukrayinske Radio First Program Network in Ukrainian 1422 GMT 11 Jul 94

[Report by Vitaliy Naumenko on a news conference held by Central Electoral Commission Chairman Ivan Hryhorovych Yemets in Kiev on 11 July]

[Excerpt] [Passage omitted] According to Ukrainian legislation and proceeding from the figures provided by Ivan Hryhorovych, Leonid Kuchma has been elected president of Ukraine. This is the key news.

[Words indistinct] what can we say? The following figures show how many people voted for each of the candidates in the presidential runoff: Over 14 million people—some 14,160,000 people, or 52 percent—voted for Leonid Kuchma, while some 12 million—12,300,000 [words indistinct]—against him. Meanwhile, over 12,100,100, 45 percent, voted for Leonid Kravchuk, and 14,500,000, 64.5 percent—against him. Therefore, all provisions of Ukrainian legislation have been fulfilled. [passage omitted]

Results Confirm Kuchma Victor

LD1207142694 Kiev UNIAN in Ukrainian 1310 GMT 12 Jul 94

[Text] Updated results of the presidential election were revealed to a UNIAN correspondent on 12 July. According to these, voter turnout on 10 July was 26,926,984 or 71.79 percent of the electorate. A total of 99,090 ballots (0.37 percent) were pronounced invalid. One candidate was chosen in 26,128,453 ballots (97.2 percent). Both candidates were rejected in 652,581 ballots (2.43 percent).

Leonid Kravchuk received 12,111,603 votes in favor (45.06 percent), and 14,669,431 votes against (54.57 percent).

Leonid Kuchma received 14,016,850 votes in favor (52.15 percent) and 12,764,184 against (47.49 per cent).

According to these results, Leonid Kuchma has been elected president of Ukraine.

Voter Turnout Reaches 59 Percent

LD1007164794 Moscow ITAR-TASS World Service in Russian 1620 GMT 10 Jul 94

[Report by ITAR-TASS correspondent Mikhail Melnik and UKRINFORM correspondent Aleksandr Litvinov]

[Text] Kiev, 10 Jul—About 22 million people, which is 59 percent of the total number of people on the voting list, voted in the Ukrainian presidential elections by 1700 Kiev time. Thus, as ITAR-TASS has learned at the Central Electoral Commission, the elections can be considered to have taken place.

The most active were residents of the Crimean Republic, Lugansk, Zaporozhye, Poltava, Ivano-Frankovsk, Ternopol, and Kherson Oblasts, where an average of 53 to 77 percent of voters turned up at the polling stations. The Central Electoral Commission is concerned over the situation in Odessa Oblast and Kiev, the capital of Ukraine. Here, as in the first round of the elections, the turnout has been the worst.

Final Voter Turnout Figures Published

LD1107125594 Kiev UNIAR in Ukrainian 1200 GMT 11 Jul 94

[Text] Kiev, 11 Jul—The Central Electoral Commisson has reported the figures on the participation by the Ukrainian population in the presidential election of 10 July.

	Number of Electors Who Took Part in the Voting	Percentage
Republic of Crimea	1,101,040	69.15
Vinnitsa oblast	1,018,181	72.54
Volyn oblast	571,228	75.36
Dnepropetrovsk oblast	1,841,772	64.66
Donetsk oblast	2,517,157	65.66

	Number of Electors Who Took Part in the Voting	Percentage
Zhitomir oblast	805,663	73.92
Transcarpathia oblast	521,025	63.39
Zaporozhye oblast	980,685	63.91
Ivano-Frankovsk oblast	873,780	85.56
Kiev oblast	911,303	64.47
Kirovograd oblast	613,832	67.26
Lugansk oblast	1,412,744	68.11
Lvov oblast	1,737,952	86.97
Nikolayev oblast	594,887	62.23
Odessa oblast	1,142,644	62.42
Poltava oblast	982,496	76.05
Rovno oblast	632,354	77.39
Sumy oblast	7,513,243	71.44
Ternopol oblast	761,013	88.58
Kharkov oblast	1,467,071	63.17
Kherson oblast	593,228	65.32
Khmelnitskiy oblast	856,573	76.37
Cherkassy oblast	784,064	69.85
Chernovtsy oblast	(482,040)	73.74
Chernigov oblast	795,048	76.22
Kiev City	(969,241)	52.61
Sevastopol City	(198,752)	65.51
Total	25,926,498	69.25

Kuchma To Be Sworn In 19 Jul

LD1107203094 Moscow INTERFAX in English 1848 GMT 11 Jul 94

[Text] Leonid Kuchma will be sworn in as the new president of Ukraine on 19 July, the head of a parliamentary commission said.

The swearing-in ceremony will take place at a special parliamentary session, Vladimir Stretovich, chairman of the parliamentary Commission on Legal Policy, told Interfax-Ukraine.

He expressed the hope that Kuchma would find points of contact with the legislature and cooperate with it, especially since he had up till now been a member of it himself.

Stretovich said Kuchma had agreed to give Prime Minister Vitaliy Masol at least six months to start economic reforms and promised "not to interfere with his actions during this period."

Kuchma: Masol To Remain Prime Minister

LD1107181194 Moscow Radio Rossii Network in Russian 1700 GMT 11 Jul 94

[Text] Leonid Kuchma, who, according to preliminary results, has won 52 percent of the votes in the Ukrainian presidential elections, is satisfied on the whole with the development of Russian-Ukrainian relations. In an interview to the POSTFACTUM agency he expressed an opinion, in particular, that Ukraine had developed normal relations with Russia. It was only necessary to eliminate all the obstacles and barriers in the economy and trade that was set up in latter years.

Touching on the problem of the composition of the Cabinet of Ministers, Leonid Kuchma said that he intended to hold consultations with the heads of the government and the Supreme Council on this problem. I believe, noted Leonid Kuchma, that for the time being Vitaliy Masol will continue to head the government.

Prepares To Take Responsibility for Reforms

LD1107144994 Moscow ITAR-TASS in English 1429 GMT 11 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev 11 July TASS—Preliminary reports about the results of presidential elections in Ukraine show that the newly elected head of the Ukrainian state Leonid Kuchma has won over 52 per cent of votes. Kuchma displayed determination and was frank in his statements when meeting Ukrainian electors which, undoubtedly, told on the results of the vote.

Kuchma believes that strong and authoritative executive power is needed, capable of adopting resolutions and bear responsibility for their consequences, in order to take Ukraine out of the crisis and save it as a state. "No one in the world has ever come out of the crisis without strong power," Kuchma said. He declared that he was prepared to take responsibility for the state of things in the country.

The new president is convinced that Ukraine needs a new political course that should be aimed at the renunciation of self-isolation, the restoration of all mutually advantageous economic, spiritual and cultural ties with the former soviet republics, and, primarily, with Russia. Ukraine should be open for cooperation with all world countries, and only on this condition advanced technologies will come here from the West, on which Ukraine's future depends, Kuchma said.

He pointed out that while in the post of the head of the state he would seek the creation of single economic space with all CIS countries and Ukraine's full-fledged membership in the economic union and will come out for signing a currency and customs agreement between states on an equal basis.

Kuchma welcomes granting an official status to the Russian language, provided the Ukrainian language remains a state language. However, he pointed out that he had never mentioned the restoration of the Soviet Union. Nevertheless, he said that he would do his best to develop good-neighborly relations with all countries with which Ukraine has historical, economic and cultural ties. "I have always opposed the construction of an independent state on the basis of anti-Russian positions," Kuchma said.

Kuchma believes that land should not be a subject for sale and purchase and that the state system of health care and education should be free.

Promises To Concentrate on Economy

LD1207083894 Kiev UNIAN in Ukrainian 0800 GMT 12 Jul 94

[Text] Kiev [no date as received]—Leonid Kuchma, who according to preliminary data has been elected president of Ukraine, arrived in Kiev from Dnepropetrovsk yesterday. At the capital's Zhulyany Airport he told journalists that as head of state he will first and foremost call on all political forces to unite. According to Kuchma, the conflict between the west and the east [of Ukraine] is a game which has no future. The newly elected president of Ukraine also noted that first of all he will concentrate his attention on economic issues.

Leonid Kuchma is convinced that the federalization of Ukraine is impossible today. He believes that relations with Russia should be the same as those with Germany, the United States, and other countries. "Ukraine should be a bridge between Russia and the republics of the former Soviet Union," Leonid Kuchma is convinced.

To a question from a UNIAN correspondent about whether Leonid Kravchuk would be offered a high post, the newly elected president of Ukraine refrained from replying directly, observing that he has always maintained a respectful attitude toward Kravchuk. "Leonid Kravchuk was the first president and an outstanding political figure," he noted.

Kuchma Adviser Discusses 'Reports on Terrorist Acts'

LD1207065294 Moscow ITAR-TASS in English 0629 GMT 12 Jul 94

[Report by ITAR-TASS correspondent Anatoliy Gordeyev]

[Text] Donetsk, 12 July (TASS)—In response to ITAR-TASS request to comment on the realness of reports or letters with threats against Ukrainian President-elect Leonid Kuchma, Oleg Popov, one of Kuchma's advisers, said as follows: "Our headquarters did receive reports on terrorist acts being prepared against Leonid Kuchma. I must emphasize: They all came in to our team only from unofficial sources. Notwithstanding that, we took every report into consideration and acted on it."

Mukusev's Document Speaks of Contract Killing of Kuchma

MK1207095094 Moscow SEGODNYA in Russian 12 Jul 94 p 1

[Report by Kirill Dybskiy under the "Return" rubric: "Vladimir Mukusev Warns of Possible Attempt on Kuchma's Life"]

[Text] Vladimir Mukusev returned to Moscow yesterday evening. The well-known television journalist went to Crimea a short time ago where an unidentified person promised to turn over to him confidential documents relating to the political situation in Ukraine on the eve of the elections. Soon after arriving in Simferopol, as our newspaper already reported, the journalist disappeared. Soon after arriving in Moscow, Mukusev gave SEGODNYA an exclusive interview telling of all the troubles that overtook him after his disappearance, and read out the text of the document he received from anonymous sources in the Crimean capital. The contents of the document, unless it is an ingenious forgery (which is not ruled out), will be a bombshell when published.

A copy of the document Mr. Mukusev has is an operational report by the chief of Ukraine's military intelligence addressed to Leonid Kravchuk. It brings to the notice of the head of state that the intelligence service has obtained operational information about certain forces preparing an attempt on the life of Leonid Kuchma, the key contender for the position of Ukrainian president in the current elections. The report says that at this stage two Caucasus killers have been trained for this action and $150,000 has been determined as payment for the killing. The attempt would go ahead only if Kuchma wins the elections. The operation is timed one or two days after the results have been published. The authors of the report think that this terrorist act should not be hindered in the interests of Ukraine's state sovereignty and national security, proceeding from Leonid Kuchma's pro-Russia views.

As for the journalist, he does not rule out that the document may be a forgery and that all that happened to him is a carefully planned provocation with far-reaching consequences. In the words of Mukusev, however, watching the processes going on in Ukraine gives him grounds to believe that this document has a real basis.

Aide: Kuchma's Victory Result of Policy Triumph

LD1107175594 Moscow ITAR-TASS in English 1709 GMT 11 Jul 94

[Report by ITAR-TASS correspondent Anatoliy Gordeyev]

[Text] Donetsk 11 July TASS—"Leonid Kuchma's victory was the splendid result of the triumph of his substantiated political and economic course aimed at the modification of the course of Ukraine's development, stable and persistent economic reforms, closeness and economic integration with Ukraine's neighbours," said leader of the team backing Kuchma in the elections Dmytro Tabachnyk in an interview with ITAR-TASS.

Kuchma won the voters' sympathy in the hard struggle against the entire state machine, under conditions of informational blockade, apparent inequality, primarily, in the state-owned mass media and outrageous slander from radical and national-radical organisations," Tabachnyk said.

"Nevertheless, one can say that the results obtained from regional electoral commissions, have been verified and confirmed. Despite the fact that the results might be slightly corrected, Kuchma's victory leaves no doubt," Tabachnyk said.

Kuchma has collected 52.6 per cent of votes in the second round of presidential elections, leaving Kravchuk behind with an advantage of almost 8 per cent. The total number of electors who voted in Kuchma's favour was 14 million. He won in 14 out of 27 Ukrainian constituencies and practically in all left-bank regions of Ukraine, considerably bridging the gap between himself and his rival in a number of central regions and the Ukrainian capital.

Leonid Kravchuk received 11,880,000 votes in his favour.

Rukh Leader: Kravchuk Lost Due To Lack of Economic Reforms

LD1107163694 Kiev UNIAR in Ukrainian 1415 GMT 11 Jul 94

[Quotation marks as received]

[Text] Kiev, 11 Jul—"According to the preliminary data, which we have, Leonid Kuchma has been elected president of Ukraine. I would sooner assess this not as a victory for Kuchma, but as a loss by Kravchuk," Vyacheslav Chornovil, leader of the Rukh group in the Supreme Council, stressed during a news conference on the preliminary results of the elections of a president of Ukraine and chairmen of local councils. The Rukh leader sees the main reason for the defeat of Leonid Kravchuk in the presidential election as the absence of any economic reforms by him. "However, Vyacheslav Chornovil observed, if Leonid Kuchma were to contend for the post of prime minister, he would be defeated even more than Kravchuk, and therefore, this course of events should become a good lesson for politicians."

Replying to a question about whether the election of Leonid Kuchma to president of Ukraine will lead to a split in the state, Vyacheslav Chornovil emphasized: "I do not think that he will be interested in a split in the state of which he is head."

Kravchuk Aide: 'No Radical Change' Under Kuchma

AU1107193494 Paris AFP in English 1916 GMT 11 Jul 94

[Excerpt] Kiev, 11 July (AFP)—Outgoing President Leonid Kravchuk's defeat in Ukraine's presidential elections will create no major disruptions in the country's foreign policy, an aide said Monday [11 July].

"Ukraine will continue to follow both its foreign and domestic policy courses," Nikolai Mikhailchenko, a close advisor to Kravchuk, told AFP.

"There will be no radical change," he said.

He said Kravchuk, 60, had been prepared to lose the election and asserted senior government policymakers saw no "catastrophe" in the outcome of Sunday's vote.

Kravchuk supported steps to dismantle the arsenal of nuclear weapons Ukraine inherited from the former Soviet Union and generally sought to build stronger links with the West during his two-and-a-half year term as president.

Leonid Kuchma, the former premier who defeated Kravchuk in the elections, has not made his views clear on disarmament and several other issues of concern to western governments. [passage omitted]

Zlenko Does Not Expect Much Foreign Policy Change

LD1107193994 Moscow INTERFAX in English 1848 GMT 11 Jul 94

[Text] Ukrainian Foreign Minister Anatoliy Zlenko said he did not expect Leonid Kuchma's election as Ukraine's president to have any serious effect on the country's foreign policy.

"Everything will be fine if we judge by what Kuchma has said in the past," Zlenko told INTERFAX-Ukraine on Monday [11 July].

"The country will benefit if each branch of authority carries out its own work," he said, adding that he had in mind parliament, the government and the president with his team.

Parliament Congratultes Kuchma, Hears Privatization Report

LD1207140694 Kiev UNIAR in Ukrainian 1140 GMT 12 Jul 94

[Text] Kiev, 12 Jul—Supreme Council Chairman Oleksandr Moroz chaired this morning's plenary sitting of Ukraine's Supreme Council. A total of 266 people's deputies registered. At the beginning of their work the people's deputies congratulated Leonid Kuchma on his election to the post of president of Ukraine.

The deputies adopted in principle a tentative list of issues for examination at plenary sittings of Ukraine's Supreme Council. It was proposed that 40 issues be examined, eight of which are to be examined today. It is planned to examine the issue of the head of Ukraine's security service. The submission by Leonid Kravchuk, former president of Ukraine, proposing that Valeriy Malykov (first deputy head of Ukraine's Security Service, and a colonel general), be appointed to head Ukraine's security service, was distributed to deputies.

The deputies heard an account by Volodymyr Pryadko, chairman of Ukraine's State Property Fund, on the implementation of the state program to privatize the property of state enterprises in 1993. The speaker stressed that 1,673 facilities, which were fully owned by the state and worth a total of one trillion, 1,355.6 billion karbovantsi [figure as received], was privatized in Ukraine on 1 January this year
.

The account has several sections. In particular, the section on "Regional aspects of privatization" stresses that privatization has been conducted most vigoruosly in 1993 in

Sevastopol, where 30.6 percent of the total number of facilities subject to privatization have been privatized. The lowest indicators of privatization are in Vinnitsa oblast, correspondingly 3.4 percent. The largest number of facilities subject to privatization were privatized in the timber industry—37 percent, and the fewest in sectors of the agroindustrial complex—2.2 percent.

The section on "The issue and use of privatization property certificates," emphasizes that at 1 January this year, Ukraine's population was almost 52 million people. Almost 49 million people, or 94.3 percent of the total population, is included in the lists of citizens with the right to receive privatization papers. At 1 February, 706,000 citizens had availed themselves of the certificates.

The report came to the following conclusions: "We consider it necessary, while conducting privatization in 1994, to apply greater efforts to safeguarding the smooth work of all bodies of state governance, to secure personnel, financial, moral, and technial conditions for the activity of privatization bodies, to speed up the elaboration and adoption of normative acts on privatization issues, and to organize wide propagation of privatization issues in the mass media."

Crimean-Tatar Leader Expresses 'Sorrow' Over Kuchma Victory

LD1107170594 Moscow INTERFAX in English 1517 GMT 11 Jul 94

[Text] Leader of the parliament (Mejlis) of the Crimean-Tatar people Mustafa Jamilev expressed his sorrow at the election of Leonid Kuchma as Ukrainian President today.

Jamilev said in an interview with INTERFAX-Ukraine that this would lead to further deterioration of the situation in Crimea.

"Granting more rights to the Crimean administration would lead to destabilization of the situation not only in Crimea but also in the whole of Ukraine," Jamilev said. He said he believed that the election of Kuchma could stimulate provocations on the part of the Crimean leadership.

The election of Leonid Kuchma as the Ukrainian President could complicate the situation in Crimea, leader of the small Ukrainian Civil Congress of Crimea Sergey Litvin said.

Litvin told INTERFAX-Ukraine that the local separatist forces which had been backing Kuchma during his election campaign would consider his victory as a sign to begin acting.

The fact that Kuchma has repeatedly spoken for Crimea within the composition of Ukraine will put him in a complex situation, Litvin said.

Crimeans Protest Government Policies

944K1701A Simferopol KRYMSKAYA PRAVDA in Russian 7 Jul 94 p 1

[Article by L. Milina: "Protest Rallies"]

[Text] Protest rallies organized by the Communist Party, the Federation of Independent (Nezavisimyye) Trade Unions, and the Communist Youth League were held yesterday in all cities and rayons of Crimea. The epicenter of this protest action was Simferopol, where the organizers included the city trade union coordinating council, the city council of veterans of the war, labor, and the Armed Forces, and the city women's organization.

Participants in the action expressed a resolute and unanimous protest against the antipopular policy being conducted by the government of Republic of Crimea, which is aimed at impoverishment of the people, and also against raising the price of bread, rising unemployment, the definitive renunciation of the principles of social justice, and the thieving privatization of public property. The resolutions adopted in the protest rallies presented demands to the government of Crimea consisting of five points:

- Not to raise the price of bread;
- Not to allow private ownership of land;
- To protect the domestic consumer market;
- To prevent the squandering of the people's property; and
- To guarantee not in words, but in deeds, fulfilling by the president of the Republic of Crimea of the promise, made before the tourist season began, to put an end to crime and banditry in Crimea.

More than 20,000 Crimeans took part in the protest action. Unless the demands advanced are met, the organizers of the protest rallies reserve the right to take steps on a larger scale aimed at protecting the interests of the working people.

Crimean Parliament To Examine Changes to Law on Militia

LD1107202994 Kiev UNIAN in Ukrainian 1700 GMT 11 Jul 94

[Excerpts] Simferopol, [no dateline as received]—A sitting of the presidium of the Supreme Council of Crimea was held, which discussed the issue of submitting items for the agenda of the plenary session on 13 July. A report from Viktor Alsufyev, the chairman of the Central Electoral Commission of Crimea, was heard. [passage omitted]

The presidium of the Crimean Supreme Council submitted the issue of confirming the authorities of elected deputies and also of a legislative initiative of Crimea's Supreme Council on introducing changes to the law of Ukraine "On the Militia" to the agenda for the plenary sitting on 13 July.

Oleksiy Melnykov, deputy chairman of Crimea's Supreme Council said that as a result of his trip to Kiev as head of a delegation of Crimean parliamentarians, an agreement had been reached on the need for such an initiative and on introducing changes to the law of Ukraine "On the Militia" in accordance with which a "Ministry of Internal Affairs of the republic will operate in Crimea that will be subordinate to the Crimean Government and the Ukrainian Ministry of Internal Affairs."

The issue of the Constitutional Court of the Republic of Crimea and a draft law on citizenship in the autonomous republic was also submitted to the agenda. Issues relating to the government's reports and measures to overcome the drought have been postponed until information on the government's readiness to report to the deputies has been received.

Kravchuk Denies 'Signing Anything' To Favor Army

PM1107123594 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 94 p 2

[Commentary by Anatoliy Stasovskiy: "Four candidates for Two Presidential Posts Expecting Active Support....and Stormy Weather. Ukraine and Belorussia [Belarus] on the Eve of the Elections' Second Round"]

[Excerpt] On the eve of the second round of the presidential elections in Ukraine and Belorussia [Belarus] perhaps the main worry among interested parties is the activity of the electorate. Or to be more precise the great likelihood that they will not be active. It seems that not only the people but also the contenders for the presidential posts and their their teams have practically "played themselves out."

Leonid Kravchuk attempted to improve his image. The Ukrainian president tried to enlist the support of the Army, having made the sweeping promise to servicemen that he would double their pay, increase their pensions by 90 percent, and sanction an extra payment of 50 percent of their wage for combining posts. But the unforeseen occurred during Thursday's televised debates. To the viewers' question: Did he really intend to increase pay for military personnel, Leonid Kravchuk suddenly stated categorically that he had not signed anything. At this point Leonid Kuchma could no longer contain himself and confirmed that he had seen an official document according to which the president had adopted a decision to improve servicemen's social position. Then Leonid Kravchuk actually admitted that the question was only in the process of being worked on and the defense minister had clearly acted hastily in sending a telegram to troops on increasing pay and other "benefits" for military personnel. This is how the preelection "sophistry" came about.

In Ukraine they did not miss the opportunity of employing an absolutely reliable though old "weapon:" Accusations were made of counterfeiting and rigging results in the first round. It has to be recognized here that the compromising materials which had been collected together and "released" were not always pure invention. There are genuine cases of piles of completed voting slips being found in the regions which for some reason had not been considered, as for example happened in Mykolayiv. Just in case, as they say. Leonid Kuchma's agents stated recently that cases are known to them of results of the voting being rigged in favor of the current president. [passage omitted]

Lopata Suggested as New Ukraine Defense Minister

PM1207100594 Moscow KOMSOMOLSKAYA PRAVDA in Russian 12 Jul 94 p 1

[Unattributed report: Where To Find Spades for Everyone?"]

[Text] Ukraine's military development policy may change drastically in the very near future. It has become known to KOMSOMOLSKAYA PRAVDA from a source close to the Ukrainian Defense Ministry that in connection with Vitaliy Masol's appointment to the post of the Republic's prime minister reshuffles are also expected in Ukraine's military department. In the corridors of Kiev's "Pentagon" there is serious talk about how Colonel General Anatoliy Lopata ["lopata" is Russian and Ukrainian for "spade"], who today is acting as chief of general staff, may perhaps soon be appointed defense minister. Army General Vitaliy Radetskiy, the source reported, will be released into the reserve "in connection with his infection with Hepatitis A."

Experienced military men believe that generals have never before been dismissed under this "paragraph."

Plan To Develop, Increase Methane Extraction Detailed

WS1207135094 Kiev UKRINFORM in English 0640 GMT 12 Jul 94

[From the "Business News Weekly" feature No. 28, July 4-5]

[Text] As fuel experts believe, Ukraine could replenish its domestic reserves of fuel through annual extraction of up to 10 b. cu. m. [billion cubic meters] of methane based on its operational coal mines. The vast Donetsk coal field in east Ukraine may contain over 27 trillion cu. m. of methane, experts with the State Committee for Geology and Mineral Deposit Utilization assert. Methane is contained in coal layers, natural cavities and is also dispersed in coal-containing rocks.

Ukraine's Donbass (Donetsk Basin) region is the nation's coal-extracting mainstay, which occupies a territory of about 60,000 sq. km. Some 4,363 billion tons of prospected coals are located at 1.6 to 1.8 km. depths, which are presently exploited by 253 operational coal mines. Methane stocks are estimated at 1,178 b. cu. m. including some 970 b. cu. m. within the coal mines' areas plus 208 b. cu. m. within the surveyed coal deposits.

According to the State Committee for Geology and Mineral Deposit Utilization, Ukrainian coal fields contain over 100 cu. m. of methane per ton of coal. Methane content and high concentrations pose a grave threat to coal miners, though. However, only 93 coal mines apply degassing technologies to reduce methane concentrations to acceptable levels, and only 17 coal mines utilize methane basically as fuel to fire boilers. In general, methane utilization rates average meager 18 per cent of recovered gas amounts, which, in turn, constitute only 4 to 5 per cent of methane emitted during the process of coal extraction.

Coal mine degassification allowed to recover 391.4 million cu. m. of methane in 1993 (14 per cent of the total gas emission of 2,740 million cu. m.). Over 50 million cu. m. of this amount were recovered from boreholes in the Lvov-Volynsk coal field, Ukraine's second largest coal and methane deposit. Its area is 10,000 sq. km. to harbor 2.2 billion tons of coal. This region's coal mines are much safer in terms of methane concentrations. Its 18 coal mines extract 10.93 million tons of coal a year.

Ukraine's national program to boost methane recovery was jointly drafted by the State Committee for Geology and for Oil and Gas and submitted to the government for consideration and approval. As tentative estimates suggest, Ukraine's coal fields contain 2.5 to 3 trillion cu. m. of methane. Its recovery, however, requires special technologies involving coal layer predegassification with subsequent gas concentrate recovery (coal layers' methane content averages at least 25 per cent). Such technologies have been domestically developed. Since they have been very seldom applied, some improvements will be required.

Proceeding from Ukraine's methane reserves, technologies and methane deposits' accessibility, the national program's implementation is envisaged as a three-step procedure:

—The first stage (1994-96) involves methane stock surveys based on exploited and developed coal-fields, as a by-product, and preparations for methane extraction, as an individual product.

—The second stage (1997-2000) is expected to boost methane recovery (as a by-product) and extraction (as an individual product) to four to five b. cu. m. a year.

—The third stage (2000-05) is envisaged a major technological break-through in methane extraction to boost it to eight to ten b. cu. m. a year.

Program financing is envisaged to the tune of 20 to 25 trillion karbovanets [krb.] (in early 1994's prices) over 12 years.

With the averaged methane price of $62.2 per 1,000 cu. m. and an annual extraction rate of 10 b. cu. m. the program is supposed to be recouped within 12 to 14 months.

The financing scheme provides for three stages:

—The first stage, which involves a 0.6 to 0.7 b. cu. m. annual extraction increment, based on improved degassification technologies, will require 50 b. krb.

—The second stage with its 3 to 4 b. cu. m. annual increment rates is supposed to require 1,600 to 2,000 b. krb.

—The third stage's four to five b. cu. m. increment rates will consume 1,600 to 2,000 b. krb.

To utilize the above amounts of methane, Ukraine will have to spend 1.7 to 2 trillion krb. annually on equipment and technologies. As Ukrainian fuel experts insist, the program's additional strengths will include greater mining safety, reduced traumatism, additional jobs and the coal-mining regions' improved environmental status.

Decree Defines Economic Measures To Boost Science

AU1207141394 Kiev HOLOS UKRAYINY in Ukrainian 8 Jul 94 p 5

["Ukraine's Supreme Council Decree on the State of Science and Its Role in the Economic Development of Ukraine," issued in Kiev on 1 July]

[Text] Ukraine's Supreme Council analyzed the report by Ukraine's National Academy of Sciences and points out that further development and the effective reform of Ukraine's economy are only possible if a high level of science, education, engineering, and technology is ensured.

At the same time, the potential of science is very poorly exploited in resolving those priority tasks that the country is facing. The policy in the sphere of science and technology that must form a basis for progressive transformations has not become an integral constituent part of economic reforms. Trends toward a significant simplification of the national economic structure and a decrease in the share of science-intensive production can be seen. Investments in the technical and technological re-equipment of production both from the state budget and other sources have been effectively curtailed.

The reduction to below critical level of the financing of science from the state budget and the imposition of high taxes, which violates the legislation on education and science, the absence of incentives for scientific and technological research and innovatory activity have led scientific institutions, research and design organizations, and their research output to a state of profound crisis.

The absence of efficient measures for preserving the scientific potential, its development, and efficient utilization is causing considerable harm to Ukraine's national interests.

In order to intensify the role of science in resolving questions of Ukraine's economic, scientific, technological, social, and cultural development, Ukraine's Supreme Council resolves as follows:

1. To take into consideration the report by Ukraine's National Academy of Sciences.

2. To determine that to maintain the scientific potential, to ensure the development of science, and to implement its achievements efficiently are priority trends in the activity of state power bodies aimed at resolving questions about emerging from the economic crisis and further strengthening the Ukrainian state.

3. To ensure priority financing of the scientific and technological activity from the state budget and establish, in 1995, the volume of budget allocations that are channeled to these objectives at least at 1.7 percent of the gross domestic product.

4. Ukraine's Cabinet of Ministers must do the following:

a. Taking into account the criticisms and proposals voiced by people's deputies in the discussion of this question, devise within a month, jointly with the National and branch academies of sciences, concrete measures for their implementation:

b. Jointly with Ukraine's National Academy of Sciences and branch academies, ensure large-scale economically substantiated technological projects for incorporating them into the program for restructuring Ukraine's economy and for forming complete production cycles;

c. Use scientific expert analysis for considering important questions of the state's economic, scientific, technological, and social development;

d. Take measures for promoting innovation activity and technical and technological re-equipment of production and foreign investment in this sphere, and in particular, to ensure that enterprises, institutions, and organizations, irrespective of their form of ownership, make deductions into the State Innovation Fund. For that purpose, to submit for the consideration of Ukraine's Supreme Council proposed alterations and supplements to the current legislation;

e. Clear by 1 August 1994 the debts of the State Budget on science and education;

f. Consider the question of creating a special fund for financing expenses on patenting our country's developments and innovations abroad;

g. Submit, within two weeks, proposals for the current legislation on exempting:

(1) Scientific institutions, higher-learning institutions, research and design and design and technological organizations, research branches, and research plants from income (profit) taxes in that part that is for improving their own material and technological foundation through carrying out scientific research work by their own efforts;

(2) Ukraine's scientific institutions and organizations of the National Academy of Sciences, branch academies, and educational institutions from paying import duty, value added tax, and other compulsory payments for scientific instruments, equipment, spare parts and expensive materials for them, reagents, specimens, materials for experiments, and scientific and technological and educational literature imported into Ukraine to ensure its own scientific and technological activity;

(3) 50 percent of the hard-currency capital that scientific and educational institutions and organizations earn by exporting their own science-intensive products, developments, scientific and technological and education services and also foreign juridical or physical persons and international organizations from compulsory sale on the interbank hard-currency market in order to provide support for profitless scientific and technological activity.

Ukraine's National Bank must grant Ukraine's Ministry of Finance purpose-oriented interest-free credit amounting to 1 trillion karbovantsi for financing scientific research work on the scale envisaged by Ukraine's State Budget for 1994.

5. To exempt, starting from 1 May 1994, those scientific institutions and organizations that are financed from the budget from paying fines for failure to pay on time for communal services, until Ukraine's Supreme Council adopts the State Budget for 1995;

6. Ukraine's Supreme Council Commission for Questions of Science and National Education, jointly with Ukraine's National Academy of Sciences, Ukraine's State Committee for Questions of Science and Technology, branch academies, Ukraine's Ministry of Education, and other ministries and departments must consider the question of improving the system of management in the sphere of science and scientific and technological activity, implementing the system of priority trends in the development of science and technology that were passed by Ukraine's Supreme Council on 16 October 1992, reforming and democratizing science, providing it with means of information, and maintaining and developing Ukraine's scientific and technological potential; it must also prepare the relevant draft legislative acts.

Chairman of Ukraine's Supreme Council O. Moroz

Kiev, 1 July 1994

Nuclear Disarmament Under Way in Khmelnytskyy Oblast

AU0807173894 Kiev HOLOS UKRAYINY in Ukrainian 7 Jul 94 p 5

[Report by Lyudmyla Ksyondz from Khmelnytskyy Oblast: "Rifles Instead of Missiles"]

[Text] In accordance with the START agreement, the Khmelnytskyy Rocket Division is carrying out its scheduled work on removing strategic nuclear weapons from combat alert. Meanwhile, specialists at the Khmelnytskyy Institute of Border Troops and the production association "Neva" have completed manufacturer's tests of sporting guns, which may successfully compete with the products of famous Tula gunsmiths. With the license from the Ministry of Internal Affairs, these products will be manufactured in Ukraine. Preparatory work before issuing shares with the subsequent privatization of the association served as a spur for introducing these entirely new products.

Grain Harvest Forecast 'Lowest for 20 Years'

PM1107111294 Moscow ROSSIYSKIYE VESTI in Russian 9 Jul 94 p 1

[Unattributed, untitled report under the rubric "For Rapid Reading"]

[Text] The 1994 grain harvest in Ukraine will be the lowest in the last 20 years and is forecast to be no more than 34 million tonnes.

Belarus

Alyaksandr Lukashenka Elected President

Receives 70 Percent of Vote

LD1107153394 Moscow ITAR-TASS in English 1437 GMT 11 Jul 94

[Report by BELINFORM—TASS]

[Text] Minsk 11 July TASS—The Central Electoral Commission of Byelorussia [Belarus] has just made public the preliminary results of the voting in Minsk. 70 per cent of electors in the Byelorussian capital voted for Alyaksandr Lukashenka. His rival Vyachaslaw Kebich got about 20 per cent. According to the information obtained by BELINFORM, the figures were nearly the same in the Vitebsk region. In seven districts of the Mogilev region, Lukashenka's native place, he got 90 per cent of the votes. The impression is that the results of the elections are clear already: Alyaksandr Lukashenka will be the first president of Byelorussia.

Electoral Commission on Election Outcome

LD1107195194 Minsk Radiostantsiya Belarus International Service in Belarusian 1800 GMT 11 Jul 94

[Text] Esteemed compatriots, a news conference was held on the subject of the elections of the first president of the Republic of Belarus with the participation of representatives of the Central Electoral Commission. Our correspondent Alla Lutsenka attended.

[Lutsenka] The news conference started with an announcement by Alyaksandr Abramovich, the chairman of the Central Electoral Commission.

[Begin recording] [Unidentified moderator] I am greeting all of you, esteemed ladies and gentlemen, esteemed journalists. Today we are holding the first news conference in a presidential republic. Alyaksandr Mikhaylavich Abramovich, chairman of the Central Electoral Commission for elections of the first president of Belarus, will now talk to you. Also taking part are (members of the Central Electoral Commission) and commissions in localities. Here is Alyaksandr Mikhaylavich Abramovich.

[Abramovich] Esteemed Belarusian colleagues, esteemed citizens. As chairman of the Central Electoral Commission of the president of the Republic of Belarus, I note that the elections on the whole according to preliminary information, which is available at the Central Commission, have taken place in full compliance with the current Constitution and the law on elections of the president of the Republic of Belarus. The Central Commission does not hold at the present moment any information that would testify to any occurrence during the elections of such violations of the legislation that could considerably affect the final results of the elections. This gives us hope that in the nearest future we will obtain such results. Of course there were some misunderstandings during the voting, in particular, (on Chapter 6) [word indistinct] of the law on elections of the president, according to which a voter cannot be included in the voting list at other polling stations other than the one where he was residing at the moment of compilation of the lists, i.e. on 7 June 1994. Nevertheless, the commission in those cases acted like in other cases—according to the law on elections of the president of the Republic of Belarus. Electoral commissions at all levels worked in an organized manner and without delays. They solved arising problems in a sufficiently professional manner, for which, in my opinion, they deserve our great gratitude. Local soviets of all levels, executive committees and their leaders, as well as leaders of respective ministries and departments of the republic, the working group at the Presidium of the Supreme Soviet, which, in accordance with the law, carry very important functions in organizing and providing material support to the elections of the president, have carried out, conscientiously and honestly on the whole their obligations and that also made the elections possible.

Before the second round of elections the mass media worked much more professionally and with account of the previous (incidents), I first of all mean the electronic mass media. On voting day numerous representatives of that media, thousands of observers from public associations and political parties, collectives, and other countries, international organizations and deputies, stayed from the first till the last minute at commissions of all levels—from local up to central ones—which assisted to a more comprehensive and effective implementation of the law on elections of the president and provision of legality of the elections. Final results of the elections will be drawn by the Central Electoral Commission not later than within 10 days after the day of the elections as the law stipulates, i.e. not later than 20 July. In particular, if oblast commissions submit respective protocols to the Central Commission. Now, at the present moment the protocols of local commissions have already arrived at rayon electoral commissions, they are analyzing them and according to the results of the consideration of those protocols, protocols of rayon electoral commissions will be drawn that will then be submitted to oblast commissions for compiling respective protocols for the whole of the oblast. Compatriots, the election of the first president of the Republic of Belarus will give a new impetus, and possibly, to a certain degree, also a new direction of social development in our country. I would like to express my hope, using the occasion, that this historical act of the Belarusian people will bring further consolidation of our society, provision of stability, and at the same time necessary consistency on the path of its economic, historic, and political development. [end recording]

[Lutsenka] The elections, as noted members of the commission answering the questions of journalists both foreign and Belarusian, were held in compliance with the current legislation and our Constitution. Of course, there were some drawbacks, but there is no limit for perfection because there cannot be ideal behavior in a multimillion family. To the question whether the Electoral Commission knows who from the current Belarusian Government has congratulated the victor, there was an answer that even the chairman of the commission himself, i.e. Alyaksandr Abramovich, could not get through on the telephone. I am sure there were facts like that because rules of good manners apply too in the government, answered members of the Electoral Commission.

Here are the preliminary results of the elections: Out of those who took part in the elections 80.1 percent (4,219,991 people) voted for Alyaksandr Lukashenka and 14.2 percent (747,793 people) for Vyachaslaw Kebich. Altogether 5,267,691 electors took part in the elections, i.e. 69.9 percent. Therefore, the first president of the Republic of Belarus has been elected.

Lukashenka Profiled

LD1107185894 Moscow INTERFAX in English 1630 GMT 11 Jul 94

[From the "Presidential Bulletin" feature No. 131 (621) by correspondents Igor Porshnev, Yevgeniy Terekhov and others]

[Text] According to preliminary returns, Belarus's first ever presidential election has been won by Alyaksandr Lukashenka.

Central Electoral Commission Chairman Aleksandr Abramovich told INTERFAX Lukashenka had won 80.1 percent of the vote on Sunday. His rival, Vyachaslaw Kebich, today's prime minister, has mustered a mere 14.1 percent.

The president, who, under the Constitution, is both head of state and head of the Executive Branch, is to be sworn in within two months after he has been elected. Until that moment the previous government can remain in office.

Lukashenka, 39, is married and has two sons. He is a graduate of the history department of a teacher-training institute in Mogilev and of the economics department of the Belarusian Agricultural Academy. From 1975 to 1980, he held various posts in Komsomol (Young Communist League), local government and economic administration bodies in Mogilev Region. In 1982-87, he was deputy chairman of a collective farm, then deputy manager of a building materials factory. Since 1987, he has headed a state farm in Mogilev Region and has been a member of parliament since 1990.

Analysts in Minsk point out that Lukashenka was the only parliament member to oppose the agreements that marked the end of the Soviet Union and the beginning of the Commonwealth of Independent States (CIS). Explaining his decision to vote against the ratification of the accords, signed by Russian President Boris Yeltsin, Ukrainian President Leonid Kravchuk and Belarusian head of state Stanislav Shushkevich, Lukashenka called them illegal and contradicting the results of a March 1991 referendum in the Soviet Union, in which the majority voted for the preservation of the union.

Last year, Lukashenka was put at the head of a provisional parliamentary anticorruption commission, which submitted a report listing more than 70 officials of various ranks, including today's deputy prime ministers Mikalay Kostikaw and Stanislaw Bryl and Defense Minister Pavel Kazlowski, to be fired for abuse of their position. The legislature, however, confined itself to what Lukashenka described as a superficial discussion, leaving everyone in their jobs. Some analysts believe that the disbandment of the anticorruption commission, engineered by a pro-government parliamentary coalition, became one of the principal factors behind Lukashenka's popularity.

Lukashenka's Program

Observers believe it was no accident that Lukashenka's promise to crack down on the mafia and corruption in the upper echelons of government was one of the main points in his election program.

Other key elements in his program are his pledge to take action to check price rises and the impoverishment of the population, stop society's movement towards "decay and a social outburst" and put it on a road of "stability and progress." Lukashenka stands for wider use of state regulation in the economy, but rejects restoration of the old centralized economic system. He demands that public sector enterprises be directly run by the state and that a tough procedure be used to appoint their managers, whose selection should be based on their professional standards and sense of responsibility.

In foreign policy, Lukashenka's aim is to restore Belarus' ties with other former Soviet republics but put them on a basis of equality and mutual benefit. He calls the strengthening of Belarus' relations with Russia and Ukraine the main foreign policy priorities.

Lukashenka considers himself a pragmatist and a centrist. He belongs to no political party.

Lukashenka's Team

Analysts think that the number-one figure in Lukashenka's entourage is the main organizer and manager of his election campaign, Leonid Sinitsyn. It was Sinitsyn, a 40-year-old member of parliament, who headed an establishment that helped Lukashenka collect the number of signatures needed for his registration as a presidential candidate. Observers believe that he may become the new president's chief of staff.

Other close assistants to Lukashenka during the runup were Dmitriy Bulakhov, head of the parliamentary Commission on Legislation, Valeriy Tsepkalo, international affairs adviser to former head of state Stanislav Shushkevich, and Aleksandr Feduta, former head of the Belarusian Komsomol (Young Communist League), who, for his close cooperation with Lukashenka, was dismissed as deputy chairman of the Party of Labor and Justice and subsequently expelled from the party.

During his campaign, Lukashenka did not name his future cabinet ministers. The composition of the future presidential staff is also still unknown.

A source in the Belarusian parliament has told Interfax that, on 13 July, Lukashenka is due to meet Parliamentary Chairman Mechyslaw Hryb to discuss a date for the convocation of a parliament session to swear Lukashenka in as president. The source said the session would most likely be convened on July 19 or 20. The date is to be finally set on 13 July by the parliament presidium, some of whose members would also like the session to consider a draft law on the cabinet of ministers at second reading.

Relations With Russia 'Priority'

LD1107135994 Moscow Mayak Radio Network in Russian 1300 GMT 11 Jul 94

[Text] Alyaksandr Lukashenka, who won the Belarusian presidential elections, told a BELINFORM correspondent that economic cooperation and friendship with Russia will become a priority in the country's foreign policy. Lukashenka also said that radical changes are expected to take place in the government immediately following the taking of the presidential oath, but honest people will continue their work [in the government], he said.

Russia Relations Continued

LD1207102494 Minsk Belarusian Foreign Ministry Department of Information in Russian 0900 GMT 12 Jul 94

[Excerpt] [Passage omitted] In an interview with a Belinform correpondent, A. Lukashenka said that the priority of the country's foreign policy will be reliance on economic cooperation and friendship between Belarus and Russia. Russia's view on Europe goes through Belarus. I am convinced that Russia has an interest in fruitful and mutually advantageous cooperation with us, Lukashenka said.

Responding to a question about what changes he intends to make in the Council of Ministers, and how soon they will begin, he said the following: Radical changes are to be made in the government—immediately after being sworn in as president. However, honest people will remain at work. I can state unambiguiusly that I. Kenik and S. Ling will remain deputy prime ministers.

A. Lukashenka also stated that he intends to cooperate with all parties and movements. [passage omitted]

May Be Sworn in 'Next Tuesday'

LD1107142694 Moscow INTERFAX in English 1312 GMT 11 Jul 94

[Text] The Belarusian parliament is to hold a special session at which Alyaksandr Lukashenka will be sworn in as the country's president next Tuesday or Wednesday, a well-informed source in Belarus' parliament told INTERFAX.

According to him, this Wednesday Lukashenka is to conduct consultations with the Parliament Speaker, Mecheslav Grib, to fix a date for the special session. Prime Minister Vyacheslav Kebich might join the consultations. A number of leading parliament members are inclined to use the session to have a second reading of the bill on the Cabinet of Ministers.

The final date for the special session will be fixed by the parliament's presidium the coming Wednesday.

Trade Union Federation Pledges Support for New President

WS1207085494 Minsk BELAPAN in Belarusian 0800 GMT 12 Jul 94

[Text] The Trade Union Federation Presidium of Belarus has addressed the Supreme Soviet, all the political parties, public organizations, and movements with an appeal to build their relations with the head of state and executive bodies in the provinces on a constructive basis, to create a democratic law-governed state with social guarantees. The appeal points out that "the elections have manifested the high political activity of the electorate and their understanding of a need for decisive changes in society; concerns over the economic collapse and the nosedive in living standards." Unions comprising the Trade Union Federation pledge their "active support for the president in drafting and implementing a new socioeconomic policy, directed at the creation of conditions for a highly productive labor force, decent wages, a stabilization of prices, and a fight against inflation."

Election Official Says Belarus Now Presidential Republic

LD1107125994 Moscow ITAR-TASS in English 1219 GMT 11 Jul 94

[Report by BELINFORM correspondent Svetlana Kalinkina for TASS]

[Text] Minsk 11 July, TASS—"Belarus now has the full right to call itself a presidential republic because the elections of the first president have taken place," Chairman of the Central Electoral Commission Aleksandr Abramovich announced at a press conference devoted to the results of the run-off elections in the Republic.

Abramovich confirmed that according to preliminary data, 4,219,991 voters cast their ballots in favour of Alyaksandr Lukashenka, which means that he scored 81 percent of all votes.

Vyacheslav kebich was supported by 747,797 voters or 14.2 percent of all registered voters.

Aleyeksandr Lukashenka will take the office only after he is sworn in not later than two months after the final results of the polls are formally announced.

"The official results of the second round will depend above all on the seriousness of the claims of violations recorded in the course of the elections," Aleksandr Abramovich said. "No reports have yet come in about violations of the law on presidential elections which could considerably affect the final figures," he added.

Kebich, Cabinet Submit Resignations

LD1107133094 Moscow Radio Rossii Network in Russian 1300 GMT 11 Jul 94

[Text] According to a RIA report, chairman of the Belarus council of ministers Vyachaslaw Kebich and the Republic's entire cabinet have submitted their resignations to the Supreme Council.

Details of Resignation Given

LD1107141094 Moscow ITAR-TASS World Service in Russian 1307 GMT 11 Jul 94

[Report by BELINFORM correspondent for TASS]

[Text] Minsk, 11 Jul—Belarusian Prime Minister Vyachaslaw Kebich resigned today, as BELINFORM-TASS has already reported.

"For me, the elections brought bitter, but understandable results," the chairman of the Belarusian Council of Ministers—who lost the presidential marathon to Alyaksandr Lukashenka yesterday—said in his statement for the press. I respect the people's opinion and I congratulate Alyaksandr Grygoryevich who was elected first president of the Republic, Vyachaslaw Kebich noted.

"Despite the closeness of our programs," Vyachaslaw Kebich continued, "We see their implementation in different ways. We have discussed the situation within the government and I cannot now see any possibility of continuing my work as chairman of the Council of Ministers, and I resign."

Kebich surmised at the same time that people "will recall both these elections and our government many times." He believes the stability, peace, and calm in Belarus and the consistent rapprochement with Russia to be a most important contribution of his cabinet. Kebich stated that he will do his utmost in whatever capacity to ensure this rapprochement and for constructive relations with Russia.

At the same time, the main danger threatening Belarus, in his view, is the destruction of the state. "There are forces which will never agree to our alliance with Russia. For the time being they have lost, but they have not vanished anywhere. Furthermore, I am convinced that they will do everything they can to push society towards confrontation. I would like to hope that peace, accord and stability will not leave our land. I will do everything I can to ensure this. Life goes on," Kebich stated.

Lukashenka To Accept Resignation

LD1107195394 Moscow ITAR-TASS in English 1914 GMT 11 Jul 94

[Report by BELINFORM correspondent for TASS]

[Text] Minsk July 11 TASS—Following Vyacheslav Kebich' statement announcing his resignation, First Deputy Prime Minister Mikhail Myasnikovich told BELINFORM news agency that the process of resignation would be carried out in accordance with the Byelorussian [Belarusian] Constitution.

Deputy Bylorussian Parliamentary Speaker Vladimir Rusakevich said that the parliament would not hold a special session to accept the resignation. Lawmakers will meet to accept an oath of allegiance sworn by the president elect, after which the president will accept the resignation of the government.

Rusakevich pointed out that the presidium of the Byelorussian parliament agreed not to procrastinate this process and that consultations on this problem would be held in the next few days with President Elect Alyaksandr Lukashenka.

Russia's Shokhin Says Elections May Delay Merger

WS1107123594 Minsk ZVYAZDA in Belarusian 8 Jul 94 p 1

[Interview with Russian Deputy Prime Minister Aleksandr Shokhin by BELINFORM correspondent Iryna Andrukhovich in Moscow; date not given: "Negotiations Were Held in the Interests of the Belarusian People"]

[Text] Some Russian media called the trip by the Russian Government delegation to Belarus, devoted to the 50th anniversary of Belarusian liberation, Prime Minister Kebich's "rescue mission." What do the participants in the Minsk meeting themselves think about this? Upon his return to Moscow, Russian Deputy Prime Minister Aleksandr Shokhin gave an exclusive interview to a BELINFORM correspondent.

[Andrukhovich] Many Belarusian citizens were expecting more specific results from the previous agreements reached by our governments. So far, this uncertainty and hesitation has only been playing into the hands of various wheeler-dealers on the national currency market. I would like to ask you both as a state official and private citizen: Do you believe the monetary merger will take place in the near future? After all, talks on this issue have been held for more than a year.

[Shokhin] Perhaps even longer than that. Agreements between Russia and Belarus on the monetary merger and a deepening of integration had been prepared by July 1993. At the same time, unexpectedly, a third party appeared—Russian, Ukrainian, and Belarusian prime ministers signed an agreement expressing their intent to create a Slavic economic union. This idea, however, soon fizzled out because of Ukraine's position on the one hand, and on the other hand, because we hurriedly started to hammer away at an economic union within the entire CIS.

[Andrukhovich] Was that the reason for the monetary merger issue being sidetracked?

[Shokhin] In a sense, half a year was lost in Belarusian-Russian relations. This year, we have started a new stage in negotiations, having convinced our CIS partners that a close relationship between two members of the economic union not only would not harm the rest of them but would even benefit them because it sets a model for economic cooperation. Since this January, we have worked on the basis of the assumption that the merger should and will take place. Still, this issue involves so many delicate aspects, such as the monetary system and controls over money issues, that little progress has been made. In April, we entered the final stage, but still no specific mechanism for the merger has been devised. One option was to carry it out based a single center of issues. By changing this approach at the request of the Belarusian side, we would also change a number of other provisions. We are always ready to sit down at the negotiating table and examine various options for monetary issues on Belarusian territory. In July, we have to present all options and adopt a final decision in early August as to which one of them will be selected for carrying out issues, coordinating budgets, etc. If we are to implement the April agreement in its pure form, this would call for introducing several changes to legislation on powers of the Russian National Bank's issuing center or altering Constitutions of the two states. Establishing a supranational bank will also take time. An efficient mechanism for implementing the merger guarantees that decisions made on the spur of the moment will not be able to negatively affect the overall merger process. This is why the process proceeds so slowly. This, however, does not mean that the Russian side deceives someone. Our position is honest: The monetary systems need to be merged. Someone who ventures to carry out such a complex task, however, must devise all mechanisms for support and guarantees.

[Andrukhovich] Do I understand you correctly that the merger can take place as early as this year, regardless of any political events?

[Shokhin] The protocol said that by late July, the entire mechanism should be completed. On the other hand, the time of its implementation can be influenced by the upcoming presidential elections in Belarus—some of its provisions are directly linked to specific individuals. This is why a delay is possible. We, the Russian side, are oriented toward the merger and establishing a firm and long-term basis for the functioning of the monetary systems in the framework of the April agreement. You should understand that since it was difficult to reach those agreements, we should make sure that discarding them will prove as difficult. We have come a long way and know how a new system should work. Let me remind you once again that the negotiations were held at the initiative of Belarus, and we think that their purpose is to serve the interests of Belarus and not those of some political grouping. A divergence from them can be viewed as a political move hurting relations between two neighbors. As for the upcoming elections, the Russian Government has a neutral position on this issue. We would like for the Belarusian people to make a choice on their own.

Deputy Bank Chairman Views Monetary Merger

WS1107131194 Minsk RESPUBLIKA in Russian 6 Jul 94 p 3

[Unidentified article: "The Second Stage Is the Most Difficult"]

[Text] In spite of furious opposition, the process of unifying the Russian and Belarusian monetary systems has gotten underway, even if not as fast as it supporters might want. As a matter of fact, this is not surprising because every serious task requires a lot of work, searching for mechanisms for resolving all problems, and even technical details regarding its implementation, believes Nikolay Kuzmich, deputy chairman of the Belarusian National Bank.

A protocol on the implementation status of the monetary merger, signed in Minsk by the Belarusian and Russian prime ministers and leaders of the Russian Central and Belarusian National Banks, is in fact the second stage of its implementation. As is known, the first stage removed customs barriers and duties and introduced most-favored nation status in trade between the two countries. In the opinion of Nikolay Kuzmich, the second stage is not at all a political move by Russia made on the eve of the second-round presidential elections in Belarus. This is a continuation of the work that was initiated in August of last year, when present National Bank Chairman Stanislaw Bahdankevich was forced to cut short his vacation, which he has not been able to resume until now. So, his backers should not be worried by rumors that the Republic's chief banker did not participate in the negotiations because he fell in disfavor.

The protocol said that the Russian side compromised and agreed to take off of the agenda item 5 of the agreement, which contradicts the Belarusian Constitution. Thus, the merger will not endanger the Republic's sovereignty and the National Bank remains a legal body performing functions of the Belarusian National Bank. Item 3 of the protocol unequivocally gives the National Bank the right to issue money on its territory. In fact, the right to issue money was given to the Belarusian National Bank by the Russian Central Bank.

The most difficult part of the second stage is to find and define mechanisms for implementing the monetary merger. This was the main topic discussed during a meeting of Belarusian and Russian prime ministers, Kebich and Chernomyrdin, and the heads of both countries' national banks. The results of this meeting will serve as the foundation for working out mechanisms for the operation of correspondent accounts [korrespondentskiye scheta] of the National Bank in Russia and the Central Bank in Belarus. The Russian Central Bank will provide Belarus with Russian banknotes to be exchanged for payment notes. This is a laborious operation for bankers and painful process for Belarusian enterprises. Working out mechanisms for settling accounts will take some time. The ultimate goal is to ensure a Russian model for this.

Commenting on the protocol signed in Moscow, Nikolay Kuzmich stressed that further work on implementation mechanisms for the merger agreement will be carried out by professionals from banks, the Finance Ministries, and statistical services.

Moldova

Premier Says Harvest Figures Lower Than Usual

LD1107122994 Moscow INTERFAX in English 1019 GMT 11 Jul 94

[Text] Due to the heavy draught the likes of which Moldova has not seen for about 120 years, plus autumn and spring frosts, the expected value of this year's harvest will be 560 million leis (about $138 million) less than usual, Prime Minister Andrei Sangheli told Interfax.

The hard situation faced by Moldova's agro-industrial complex was discussed by the Cabinet of Ministers at its session held in the south of the country - the area hit by the natural cataclysms most of all. Winter crops perished on 125,000 hectares; spring crops, lucerne, vegetables and sugar beet on thousands of hectares; orchards and vineyards on dozens of thousands of hectares were damaged.

The government worked out emergency measures to overcome the consequences of the draught. These provide for carrying out massive purchases of meat, primarily mutton, from the population, and for moving cow herds from the south to Moldova's north, where there is more fodder.

Sangheli believes that the population will be provided with grain at the expense of reserve stock and additional grain exports amounting to 100,000 tonnes.

Council of Europe Report Backs Unity With Romania

PM1107125394 Moscow ROSSIYSKAYA GAZETA in Russian 9 Jul 94 First Edition p 6

[Report by Lyudmila Feliksova: "Council of Europe Rejects Kishinev's Independence"]

[Text] The trip to Strasbourg by a Moldavian [Moldovan] delegation as special guests of the parliamentary assembly was somewhat overshadowed by claims contained in the report "On the Expansion of the Council of Europe." It stated, in particular, that Moldavia is part of Romania and should support trends favorable for the subsequent unification of one part with the other. In this connection D. Dyakov, chairman of the Moldavian parliamentary foreign policy commission, stated that Moldavian officials had never claimed anything of the sort over the past three years. On the contrary, a sociological poll carried out 6 March this year showed that 95 percent of the Republic's population advocated its independence, while the two leading factions of deputies—the agrarians and the socialists—unanimously pursue the line of strengthening Moldavian statehood.

Kazakhstan

Integration Among Central Asian States at 'New Level'

LD1107160494 Moscow INTERFAX in English 1312 GMT 11 Jul 94

[Text] The meeting between the presidents of Kazakhstan, Uzbekistan and Kyrgyzstan held in Almaty last Friday "showed that integration between the three Central Asian states reached a qualitatively new level," the Director of the Institute for Strategic Studies under the president of Kyrgyzstan, Akylbek Saliyev, told INTERFAX on Monday [11 July].

According to him, President Nazarbayev's statement concerning the need to form a unified economic, political and military space also testified to this.

As Saliyev said, the union does not conflict with the CIS; on the contrary, in practice it is prepared to effectuate the ideas that failed to be reflected in the framework of the Commonwealth. He believes that the forming of coordinating councils involving the heads of government and state, foreign ministers and defence ministers, and the establishment of the joint Central Asian Bank for Cooperation and Development show how serious the three countries' intentions are.

The Kazakh, Kyrgyz, and Uzbek leaders realize that "it's not enough to form a unified economic space," Saliyev said. "Industrial development must also be coordinated. The union of three Central Asian countries builds mechanisms for preemptive solutions to numerous regional problems both in the socio-economic and in the political and military areas," he said.

Nazarbayev Edict on Creation of Gold, Currency Reserves

LD1107161394 Almaty KAZTAG in Russian 1330 GMT 11 Jul 94

[Excerpts] [No dateline as received]—President Nazarbayev, by his edict, has approved a regulation on the creation and use of the gold and currency reserves [word indistinct] of the Republic of Kazakhstan. [passage omitted]

The National Bank will use them in its exchange policy as a part of the overall money and credit policy by selling foreign currency on the domestic currency market and levelling the imbalance between demand and supply for hard currency. Hard currency will be granted under tenge conversion to satisfy the needs of the government at the cost of the state budget, and for the needs of the National Bank from funds according to its estimates.

Gold reserves are earmarked for purchasing currency of one state by selling currency of another state and returning the main bulk of debt, commissions, interest rates, and other payments on credits, which have been received by the National Bank from international financial organizations, foreign central banks, and other lenders.

It is not allowed to use gold and currency reserves in the form of lending credits and granting guarantees to residents and nonresidents of the Republic of Kazakhstan, except for special cases stipulated by the Supreme Soviet's and the president's decisions. The National Bank was asked to publish on a monthly basis reports on its gold and currency reserves.

U.S. To Support Defense Industry Conversion

LD1107163094 Almaty Kazakh Radio Network in Kazakh 1400 GMT 11 Jul 94

[Text] Representatives from the Kazakhstan and U.S. Governments who are members of the Joint Committee for Defense Conversion, as a result of talks in Alma-Ata [Almaty], have drafted a list of eight enterprises that can apply for funds [words indistinct] in the area of defense conversion. Some $15 million is being channelled for supporting joint businesses between those enterprises of Kazakhstan, which are changing their profile to the production of civilian goods, and U.S. and foreign companies. Preference will be given to those enterprises that earlier were involved in the production of weapons of mass destruction. The sides have agreed that those enterprises of Kazakhstan that win the right to set up joint businesses will undergo full or partial privatization. More than 50 percent [words indistinct] will be transferred from the state sector to the private one. This agreement is the cornerstone of the support program by the United States to Kazakhstan in its implementation of defense conversion.

Kyrgyzstan

Deputy Defense Minister Dismissed for Financial Abuses

PM1107133094 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 94 p 1

[Report by ITAR-TASS: "Where the 'Rope' Pulled the Deputy Minister"]

[Text] Bishkek—Kirghiz [Kyrgyz] Deputy Defense Minister Major General Talbady Moldobayev has paid with his general's stars and his post for financial violations, his stern temper, and violent behavior. Yesterday President Askar Akayev promulgated an edict depriving him of his military rank and dismissing him from his post.

The Kirghiz Press has already written that the "Kanat" ["Rope"] project, which permitted the young National Army to finance itself through the sale of arms and surplus equipment, has been filling the pockets of dishonest functionaries in the military department. The Ministry of Defense at the time dismissed the charges. But now Askar Akayev's edict speaks of this same project and "...the dismissal of T.K. Moldayev from the post of deputy defense minister of the Kyrgyz Republic for financial violations...." Defense Minister Lieutenant General Myrzakan Subanov has been severely reprimanded.

Uzbekistan

Government Prohibits Banks From Issuing Cash

LD1207060694 Moscow Mayak Radio Network in Russian 0530 GMT 12 Jul 94

[Text] Uzbekistan's Cabinet of Ministers has prohibited the republic's banks from issuing cash with the exception of wages, pensions and student grants. The decision adopted does not provide for the payment of leave allowances and bonuses and also prohibits the inhabitants of the Republic from taking money out of their savings accounts. The document has been adopted to prevent the rapid growth of the cash mass of the new national currency, the som, which has been introduced into circulation since 1 July.

Armenia

Ter-Petrosyan To Make Concessions on Constitution

PM0807135394 Moscow PRAVDA in Russian 8 Jul 94 p 1

[Report by Boris Mrkchyan: "Armenia: Communists Not Giving Way"]

[Text] Stormy debates have taken place in the Armenian parliament over the draft of the republic's new Constitution. The discussion revealed the central aims of the main parties, whose representatives, as often happens, divided into three camps: ardent advocates of unlimited presidential rule, supporters of a balanced correlation between the rights of the president and parliament, and finally, champions of the classical parliamentary system.

The presidential option for the Constitution was championed in parliament by Levon Ter-Petrosyan himself. The opposition responded sharply, declaring that the fundamental law, which enables all military, police, economic, and effectively judicial power to be concentrated in the hands of one person creates a real possibility of the establishment of a totalitarian regime in the republic. After all, the president's draft constitution gives the right to the supreme official at his own discretion to appoint judges, public prosecutors, ministers, and the prime minister, to disband parliament, to declare referenda, to introduce lengthy states of emergency in the country, and so forth. The people should not entrust their fate to one man, opponents said; history has more than once confirmed where this may lead.

The articles in the draft which abolish councils—the institutions of territorial self-government—in Armenia also provoked sharp objections. They are to be replaced by regional administrators, also appointed by the republic president and vested with virtually unlimited power.

Armenia's Communists also put forward their own draft Constitution. It provides for the establishment of a socialist order and the power of the soviets and parliament. The Communists believe that the nationwide form of ownership should predominate, that all the country's natural resources can belong only to the state, and, as for land, it should be handed over to peasants on unlimited leases. But what can now be done, seeing that one-third of arable land was transferred to private ownership three years ago on the basis of the law on privatization? In that case, the Communists maintain, the principle of unlimited leasing should extend only to the remaining two-thirds of arable land.

When the versions of the new Armenian Constitution were examined in parliament, the majority of deputies voted for the president's draft to be returned for further work, on the condition that the provisions and alternative drafts of the opposition, which provide for legal checks and balances and limit the president's power, be incorporated in it. In his concluding address President Ter-Petrosyan was forced to admit that he was not against certain concessions.

Speaker Backs Possible Introduction of Peacekeepers

LD1107200594 Moscow INTERFAX in English 1848 GMT 11 Jul 94

[Text] Armenia will continue to seek peaceful ways for the settlement of the Karabakh conflict through bilateral and multilateral talks, Chairman of the Armenian parliament Babken Ararktsyan said at a press conference in Yerevan today.

He said he believed that both schedules for settlement in Nagorno Karabakh proposed by the CSCE and Russia did not differ much and were acceptable for Armenia while Azerbaijan was delaying signing the cease-fire document.

Ararktsyan said he would welcome the introduction of peacekeeping separation forces to the region since "only a few monitors could not do much here." He stressed that Armenia and Nagorno Karabakh were ready to sign a document on armistice at any time.

However, Ararktsyan said he believed that Azerbaijan seemed not to have much confidence in the CSCE, Russia or Armenia fearing that it would in fact lose Nagorno-Karabakh as a result of signing the document on armistice and deployment of international observers on the line of cease-fire.

Azerbaijan

Aliyev Departs for Saudi Arabia 9 Jul for Talks

NC0907180594 Baku TURAN in English 1710 GMT 9 Jul 94

[Text] Baku (July 9) TURAN—Today President Aliyev left for Saudi Arabia. His visit is scheduled for three days.

During his visit President Aliyev will meet with the King of Saudi Arabia Fahd Bin-'Abd-al-'Aziz Al Sa'ud and the other officials. President Aliyev will also visit the headquarters of the Islam Conference Organization and Islam Bank for Development.

The agreement on friendship and cooperation between Azerbaijan and Saudi Arabia is expected to be signed during the visit as well.

The major economic agreement, which is scheduled to be signed during the visit, is the contract concerning granting Azerbaijan a credit totalling 100 million dollars, reports the Deputy Minister of Economy of Azerbaijan, Saleh Adilorly.

The credit will be granted by Islam Bank for Development and the government of Saudi Arabia. The contract will also provide for conditions of credit's usage.

The Chief of Department for Organization in Azerbaijan's Ministry of Foreign Economic Relations, Ramiz Gasanov, said that during President Aliyev's visit the agreements concerning cooperation in the fields of health, science, culture, sport and establishment of trade representations will be signed. He mentioned that these agreements will be the first intergovernmental agreements between Azerbaijan and Saudi Arabia.

An employee of Azerbaijan's Ministry of Foreign Affairs said that Azerbaijan's foreign policy must be based on the political support of the West and financial support of the Islamic countries. In this case, Saudi Arabia mediates between the West and the CIS. Saudi Arabia can hardly have its own economic interests in Azerbaijan.

However, this visit can have negative consequences for Azerbaijan as well. At first, Iran is hardly to assess this visit positively. For Iran Saudi Arabia is the "minion of American imperialism" and the "traitor to the Islam world". Iran's suspicions towards Baku's political manouevres can have negative effect on Baku. Azerbaijan's foreign policy, which tends to change form the North to the West or the South, causes Russia's anxiety as well.

Signs Framework Agreement on Ties

NC1207053794 Baku TURAN in English 1718 GMT 11 Jul 94

[Text] Jeddah (July 11) TURAN: Yesterday Azerbaijan's Foreign Minister, Gasan Gasanov, and amir of Saudi Arabia, [Foreign Minister and Prince] Sa'ud al-Faysal, signed a framework agreement.

Diplomatic sources report that the King Fahd never signs bilateral intergovernmental agreements in Saudi Arabia.

One of the diplomats told TURAN's reporter that this framework agreement establishes relations between two countries in the fields of trade, economy, science, technology as well as other fields.

The agreement opens the road for conclusion of agreements on cooperation in all other fields. Today negotiations between Azerbaijan and Saudi Arabia are to be continued.

The joint political communique, assessing Armenian aggression against Azerbaijan, is expected to be concluded during the talks as well.

Comments on Oil Contracts

NC1207055994 Baku TURAN in English 1718 GMT 11 Jul 94

[Text] Jeddah (July 11) TURAN: Last evening President Aliyev met with the Chairman of Trade-industrial Chamber of Saudi Arabia, Shaykh Isma'il Abu-Dawud.

Shaykh Isma'il Abu-Dawud said that the authorities of Saudi Arabia are ready to invest capital in Azerbaijan's economy but "internal stability and stoppage of the war are the necessary conditions for that".

President Aliyev said that Azerbaijan is a newly independent state and it is interested in the development of economic relations with all other countries. "However, we attach great importance to the relations with the Islamic states, like Saudi Arabia. Strengthening of Azerbaijan's economy will mean strengthening of Islam religion. But Armenian aggression and its support by several western countries puts obstacles on our way", said President Aliyev.

He also added that despite all the problems Azeri Government can provide guarantees to all western investors. "The existing problems cannot prevent us from conclusion oil contracts and another advantageous agreements", said Azeri president.

The chairman of Trade-Industrial Chamber of Saudi Arabia mentioned that in the near future the group of experts and businessmen from Saudi Arabia is due to arrive in Azerbaijan to become acquainted with the situation.

Guliyev Returns From Vienna, Views Oil Contracts

NC1207075394 Baku TURAN in English 1717 GMT 11 Jul 94

[Text] Baku (July 11) TURAN—Contracts with consortium of Western oil companies on the development of offshore fields in the Caspian Sea will be signed in July-August of this year, TURAN was told by Rasul Guliyev, speaker of the parliament on July 9, on his arrival from the session of CSCE's Parliamentary Assembly held in Vienna.

"There are not serious problems on the contract's way," he said. Guliyev rejected the information about possible fail of the contracts. He said that consortium should submit its proposals on the contract's draft on July 11. "As far as I know, there are not any serious changes in consortium's proposals, compared with previously obtained agreements," he said.

Turkey's Chief of General Staff Concludes Visit

NC0807183194 Baku Azerbaycan Radio Televiziyasi Television Network in Azeri 1600 GMT 8 Jul 94

[Text] Chief of General Staff of the Turkish Armed Forces General Dogan Gures, who was on an official visit to our republic, left Baku for his country today. Our colleague Vesile Mahmudova reports:

[Begin Mahmudova recording] Dogan Gures, chief of General Staff of the Turkish Armed Forces, gave a news conference on the results of his visit before his departure. He spoke first of all on his meeting with Azerbaijani President Geydar Aliyev in a friendly atmosphere. He assessed the meeting as one of the guarantees for the further improvement of relations and existing ties between the two friendly and fraternal countries. Dogan Gures also said that he visited the Republic's Defense Ministry, where he obtained detailed information on the present situation of the Azerbaijani Armed Forces, and also met with the troops at the Baku garrison.

The general said that he was very pleased to see that the Azerbaijani troops were daring and proud, and added: I could never have imagined your soldiers being in such a high state of readiness.

Dogan Gures also said that his visit was very successful, that he was certain that the cooperation between the two countries would continue on a more sound basis, and that he was leaving Azerbaijan with good impressions.

First Deputy Prime Minister Fuat Guliyev, heads of power ministries, Turkish Ambassador to our republic Altan Karamanoglu and other officials saw off the guest at Bina Airport. [end recording]

'Pleased' With Azeri Army

LD0907132894 Moscow INTERFAX in English 1133 GMT 9 Jul 94

[Text] Turkey's Chief of Staff Dogan Guresh completed his visit to Azerbaijan on Friday [9 July].

He told journalists before leaving Baku that he was pleased with the Azerbaijani army's preparedness.

As Azerbaijan's Defence Minister Mamadrafi Mammadov has told Interfax, his talks with Dogan Guresh dealt with many issues, including cooperation in military education and army personnel training.

More Azerbaijani cadets will study at Turkish military academies.

As a spokesman for Azerbaijan's president has reported to Interfax, the possibility of Turkish forces and observers participation in a peace-keeping operation to settle the Azerbaijani- Armenian conflict was discussed. The side agreed that efforts to settle the conflict should be mediated by CSCE and a peace-keeping force should be multinational by nature. In this context, views were exchanged on Turkey's possible involvement in funding such an operation as a member of the Minsk-based CSCE group.

The Azerbaijani side regarded Turkey's participation as a major element in the general process of settlement.

Guresh made it clear that if Azerbaijan asked for Turkey's involvement in a peace-keeping operation, his government would consider such a request.

Views Plans for Training, Aid

NC0807155494 Baku TURAN in English 1040 GMT 8 Jul 94

[Text] Baku (July 7) TURAN—"I arrived in Baku at the invitation of President Geydar Aliyev. There is not a definite program and our meetings will be of common character," told at Baku's airport Dogan Gures, the head of General quarter of Turkish military forces.

Gures rejected the statements of Armenian source about military deliveries from Turkey to Azerbaijan. "We help Azerbaijan only in the aspect of military education and training within the framework of the agreement of Friendship and Cooperation and there is not any military aid."

Concerning the deployment of peacemaking forces into the conflict zone Gures said that "if peacemaking forces are needed, they must be controlled by UNO and CSCE." According to him, these international forces should include several countries. "Turkey is ready to fulfill these functions and it is an honour for her. We'll send as many soldiers as Azerbaijan needs," said Gures.

Answering the question concerning the Armenian's statement of non-permitting the presence of Turkish troops in Karabakh, Gures said that "the Serbs also opposed the presence of Turkish troops in Bosnia-Herzegovina, but presently 1500 Turkish soldiers are there."

Turkish Envoy Comments on Possible Troop Deployment

NC0807153094 Baku TURAN in English 1040 GMT 8 Jul 94

[Text] Baku (July 7) TURAN—Dogan Gures, Chief of General Quarter of Turkish Military forces will discuss with Azerbaijan's President Geydar Aliyev some definite problems concerning the present situation in Azerbaijan during his visit to Baku. They will discuss only issues of political and military character, Turan correspondent was told by Altan Karamanoglu, Turkish Ambassador in Azerbaijan.

According to Karamanoglu the issue of Turkish troops' deployment to the conflict zone in the complement of peacemaking forces will not be discussed, as "Azerbaijan had not adopted any decision in this respect."

Concerning the appeal of Tansu Ciller, Turkish prime-minister, to the Parliament of the country to discuss the issue of Turkish troops' deployment to the conflict zone, Karamanoglu noted that "for Turkey that appeal has a character of preliminary arrangement, in case if Azeri government adopts the decision of locating on its territory international peacemaking forces, in the complement of which Turkey can participate. At present we speak only about observers."

Commenting on the words of Russian President's special envoy Vladimir Kazimirov that "not any country-member of CSCE had not expressed its will to send its troops to zone of Armenian-Azeri conflict" Altan Karamanoglu said that "CSCE had not received such information and it is not right to make such statements. It is a speculation to speak about readiness or not readiness of any countries to send their peacemaking forces unless Azerbaijan government adopts a decision and CSCE appeals to countries members of CSCE."

Answering the question of Turkey's attitude to Armenian's statement that they will not admit the deployment of Turkish troops to Nagorno Karabakh, Karamanoglu said that "Nagorno Karabakh's Armenians have not right to oppose the presence of Turkish troops in the complement of peacemaking forces as the deployment of troops will take place at the territory of Azerbaijan."

According to Karamanoglu, Turkey is working together with Minsk group according to plan prepared by CSCE

Minsk group. "Concerning Russia's plan of peaceful settlement of Armenian-Azeri conflict, Kazimirov said that Russia's plan will be included into CSCE Minsk group's plan," said Karamanoglu.

Armenia Accused of 'Murder' of Kurdish Population

NC0807164594 Baku TURAN in English 1040 GMT 8 Jul 94

[Text] Baku (July 7) TURAN—"Azerbaijan" society for refugees addressed an appealed to the world community in which it condemned bloody murder of Kurdish population by Armenians.

The appeal reads that 50 Kurds, leaving in the village of Garalar in the Araratskiy region of Armenia were killed since they refused to take the assistance provided by the Armenian army.

The appeal also reads that this fact is the continuation of ethnic cleansing on the way of creation of Armenian monorepublic.

"Azerbaijan" society for refugees called on the world community to condemn these Armenia's activities.

Preliminary information reports 15 killed persons. The clash took place in the mid-June after arrest of several members of Armenia-based Kurdish working party. Armenian President Ter- Petrosyan ordered to introduce special Armenian troops in the regions of Kurdish population leaving.

Defense Minister Says Gabala Station Belongs to Azerbaijan

NC1107180594 Baku TURAN in English 1710 GMT 9 Jul 94

[Text] Baku (July 9) TURAN—"Gabala radio locatory [location] station (RLS) is Azerbaijan's property and any other talks in this respect are groundless," told Mamedrafi Mamedov, Azerbaijan's Defense Minister in his talk with Turan correspondent.

He noted that did not believe to rumours that operation of Gabala radio locatory station negatively influences the ecology of Azerbaijan. "The same rumours took place concerning the atomic electric power station but now there is a tendency towards deconservation of "frozen" atomic electric power stations."

According to Minister "one should not forget that operation of Gabala RLS is necessary for Azerbaijan itself." He noted that the issue of using this station by Russia's military forces is discussed. "But the Gabala RLS will remain the property of Azerbaijan and Russia will lease this RLS. The staff of the Gabala RLS will include Azeri military servicemen as well, told he.

ICO Figure on Aliyev Call for Help in Settling Conflict

NC1207052894 Baku TURAN in English 1718 GMT 11 Jul 94

[Text] Jeddah (July 11) TURAN—President Aliyev called on the Islamic Conference Organization (ICO) to take an active part in the settlement of the Armenian-Azerbaijani conflict together with the UNO and the CSCE, said Deputy Secretary General of Islam Conference Organization, Uthman Mutari.

"ICO must take an active part in the settlement of the conflict and seek for the ways putting an end to the war", said President Aliyev. Geydar Aliyev also mentioned that Armenia can resume hostilities against Azerbaijan any time. As a result of Armenian aggression 20 per cent of Azeri territory is occupied and one million people have become refugees, said Azeri president. Azerbaijan needs material as well as moral assistance.

Uthman Mutari said that they will be more active in the settlement of Azerbaijan's problems. According to Mutari they intend to strengthen solidarity among Islamic countries as well as to develop different ties within the framework of ICO. Both parties found it necessary to strengthen relations between ICO and Azerbaijan.

Georgia

Abkhazia Talks End in Sochi Without Accords

LD0807142094 Moscow Radio Rossii Network in Russian 1300 GMT 8 Jul 94

[Text] The Georgian-Abkhazian talks with the participation of Russia and the United Nations ended in Sochi today. The next round is planned to be held in Geneva at the end of August. It will be devoted to the problem of a political status of Abkhazia. Feliks Kovalev, head of the Russian delegation and ambassador at large, informed RIA about this decision. The Sochi round did not reach any specific accords on the status of Abkhazia. The sides limited themselves to an accord on organizing work on the problem.

Ioseliani Reports 'Definite Progress' at Sochi Talks

LD0907201194 Tbilisi Radio Tbilisi Network in Georgian 1800 GMT 9 Jul 94

[Text] In the opinion of Jaba Ioseliani, head of the Georgian delegation, definite progress has been made in nearly all issues at the talks in Sochi. The decision on creating a single security zone, which will speed up the beginning of the return of the refugees, is most significant. Ioseliani thinks that Russia is playing a great role in settling the Georgian-Abkhaz conflict. As for Abkhazia's status, in Ioseliani's opinion, the variant suggested by the Abkhaz side, which envisages cooperation between the two sovereign states on the basis of an agreement and the creation of a confederation, is completely unacceptable for Georgia. Georgia's territorial integrity is firm. Georgia is granting

Abkhazia a complete guarantee for protecting the rights envisaged by international standards.

Views Latest Talks

LD1107171394 Tbilisi IPRINDA in Russian 1430 GMT 11 Jul 94

[Text] Tbilisi (IPRINDA) 11 Jul—Jaba Ioseliani, the head of the Georgian delegation at the Abkhaz-Georgian negotiations, held in Tbilisi a news conference covering the results of recent Sochi talks. He said that the sides (with Russia's active participation) considered all issues and problems of mutual interest and that the Abkhaz side did not raise any serious objections. Speaking of the political status of Abkhazia, Ioseliani said that the sides had agreed to discuss this issue only after the return of numerous refugees to their homes. To continue this issue, it must be noted that the Georgian delegation has rejected an application form drafted by the Abkhaz side, which looked more like an oath of loyalty to the present Abkhaz authorities.

Answering a question by the agency's correspondent on who will be allowed to return to Abkhazia, Ioseliani said that only the return of those who intend to return armed will be controlled.

As for the issue of financing the returning people, Ioseliani has said that assistance is expected from donor states and our friends. Some $1,080,000 have already been allocated. The United Nations insists on allocating $10 million (this sum covers everything from the development of infrastructure to simplest technical problems like transport, etc.).

Briefs Media on Results

LD1207093294 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 12 Jul 94

[Text] At a briefing held in the parliament session hall on 11 July, Jaba Ioseliani, chief Georgian negotiator at the Abkhaz talks, met representatives of the press, radio, and television. The meeting was chaired by Ramaz Sakvarelidze, the chief of the head of state's press service. The briefing mainly dealt with the Abkhaz-Georgian talks which were held in Sochi several days ago.

Mr. Ioseliani said:

[Begin recording] The Abkhazians want a decision on their political status to be reached before the issue concerning the return of refugees is resolved. We could clearly feel the Russian leadership's support. Almost all issues were discussed in an extremely constructive manner. However, it is amazing that even when there should have been no misunderstanding and the position of all sides was constructive, the Abkhazians displayed unbelievable intransigence [as heard]. That is how it was in the past. We have always done our best at any talks. Concessions and compromises are necessary because of the existing conditions. Meanwhile, the Abkhaz side has always been intransigent, trying to capitalize on its temporary gains. [end recording]

Jaba Ioseliani continued:

[Begin recording] I would like to say a few words about the general atmosphere at the talks. I do not know why but we met no serious obstacles. We hope that, as agreed in Sochi, on 31 August in Geneva we will sign an agreement in principle [printsipuli documenti] which may later work in reality. [end recording]

The briefing was attended by participants in the Sochi meeting, who answered questions from correspondents.

Abkhazian Side Ready To Adhere to Agreements

LD0907215494 Tbilisi Radio Tbilisi Network in Georgian 1800 GMT 9 Jul 94

[Text] In a conversation with a BS press correspondent, Sokrat Jinjolia, head of the Abkhaz delegation at talks in Sochi and the prime minister of Abkhazia, has said that the Abkhaz side is ready to adhere strictly to all the agreements that have been reached and that Abkhazians support a prompt return of the refugees to their native land.

In the opinion of Abkhazia's prime minister, it is still early to talk about the results of the political settlement of the conflict, although one thing should be taken into consideration: that clarifying legal relations between Georgia and Abkhazia is of more importance than Abkhazia's political status.

Abkhaz Ministry Asks Russians To Evict Georgian Forces

LD0907173194 Tbilisi IBERIA in Georgian 1530 GMT 9 Jul 94

[Text] Abkhazian Svaneti, 9 Jul—The Defense Ministry of Abkhazia has circulated a statement saying that the Georgian side breached the agreement of 14 May on the cease-fire and the separation of forces. In particular, Georgia did not withdraw its armed forces from the Dali gorge before 5 July.

The Abkhaz Defense Ministry is threatening to take definite measures in connection with this. The statement also says that if the subunits of the Russian Federation's Armed Forces enter the Dali gorge, they will have to carry out measures to evict the Georgian formations from there and not to separate them.

Cease-Fire Agreement Negotiated in Kodor Gorge

LD0907173594 Tbilisi IBERIA in Georgian 1530 GMT 9 Jul 94

[Text] Abkhazian Svaneti, 9 Jul—Units of the Russian peacekeeping forces went up to the mountainous villages in the Kodor gorge in fighting vehicles of the assault landing troops of the subunits of the 345th Parachute Troops. The confrontation between the Abkhaz side and the Georgian popular army is still continuing in these villages. UN military observers accompanied the Russian peacekeepers.

The command of the peacekeeping forces met both the leaders of the Abkhaz armed units and General Gujab

Kurashvili, commander of the Georgian infantry, who is the leader of the Georgian popular army.

An agreement on a cease-fire has been reached.

Georgians Agree To Withdraw

LD1107121594 Moscow ITAR-TASS in English 1150 GMT 11 Jul 94

[By ITAR-TASS correspondent Irina Shchegoleva]

[Text] Sochi July 11 TASS—Representatives of Russian peace-keepers deployed in Abkhazia under the CIS auspices held a meeting with commanders of Georgian armed units deployed in the Kodor Gorge and agreed that the latter would withdraw from the area where most combat activities had taken place of late.

The Russian peace-keepers are getting ready to set up their strongholds in the Gorge, TASS learned from the Abkhazian Information Ministry on Monday.

UN observers will monitor the Georgian pullout, according to the source.

It added that commander of CIS peace-keepers Major-General Yakushev is to meet Georgian representatives in the Kodor Gorge on Monday to specify the withdrawal time.

Russian General, Deputy Defense Minister Meet

LD1107220994 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 11 Jul 94

[From the "Novosti" newscast]

[Text] General Vasiliy Yakushev, commander of the Russian peacekeeping forces in the Georgian-Abkhazian conflict zone, met Georgian First Deputy Defense Minister Guram Nikolaishvili in Zugdidi today. The Georgian Armed Forces' representative reported that the withdrawal of military hardware from the Kodori Gorge had already started. So, things are being set in motion for the complete separation of the opposing sides.

There have been no skirmishes on the banks of the Inguri or the Kodori during the last two days. However, the terrible consequences of war are being seen even today. Four refugees who had decided to return to their homes in Gali Rayon were blown up and died on a mine field this morning. Meeting refugees in Zugdidi—including many old people, women, and children—Gen. Yakushev said that the Russian peacekeeping forces had done all they could to make things easier for the victims of war.

[Begin Yakushev recording] I have said many times that our task does not include issuing permits for refugees or defining their status. This process needs to be speeded up, accelerated. I am firmly convinced of this after the meetings today. [end recording]

Talks on Abkhaz Refugees Begin in Sochi

LD1107085794 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 11 Jul 94

[Text] Quadripartite talks which are to discuss the issue of the refugees from Abkhazia, have started in Sochi today. The Georgian side is demanding categorically the implementation of the key clauses of the Moscow agreement of 14 May—the deployment of 100 military observers in the rayons of Sukhumi and Gali.

Abkhazia Introduces Quotas for Returning Refugees

LD1207084394 Moscow Ostankino Television First Channel Network in Russian 0700 GMT 12 Jul 94

[From the "Novosti" newscast]

[Text] Georgian-Abkhaz talks resume today in Sochi. They are to focus on the return of refugees. Let me remind you that at the previous meeting the sides failed to reach any agreement. The issue is also being discussed at the UN Security Council. A quite significant sum of money, about $350 million, is expected to be allocated for these purposes.

According to the ANI agency, the Abkhaz side has introduced quotas for returning Georgian refugees. Thus for Gali Rayon the quota is just 3,000 people, i.e. only 15 percent of the total number of refugees from the rayon.

Our correspondent Meda Akhalkatsi reports that a meeting of military representatives from Georgia and Abkhazia took place yesterday on the neutral territory of the Gali Gorge. They agreed a cease-fire in the Kodor gorge. Georgian military observers are to be incorporated in the peacekeeping forces HQS in Rukhi and to start carrying out their duties as observers.

Abkhaz-Georgian Refugee Problem 'Gordian Knot'

PM1107134494 Moscow KRASNAYA ZVEZDA in Russian 9 Jul 94 p 1

[Report by Aleksandr Manushkin: "All Quiet on the Bridge Over the Inguri... Our Special Correspondent Reports From Abkhazia"]

[Text] I was among the first to cross the River Inguri over the bridge restored by Russian sappers. This took place in the first days of July. And now here I am again. The bridge was restored in double-quick time to allow refugees to cross from the Georgian to the Abkhazian bank. But there are still no people crossing. Only sentries carrying out their service. On one bank are our paratroopers, on the other our motorized infantry. There are still no refugees on the bridge.

"The Russian side has done everything to establish the conditions for refugees to cross within the set time," Colonel General Georgiy Kondratyev, Russian Federation deputy defense minister, says. "Observation posts and checkpoints have been set up. But the Georgian and Abkhazian sides have still not agreed on a mechanism, on the terms for the passage of refugees...."

For this reason Col. Gen. Kondratyev met with the Abkhaz leadership. Intensive consultations and negotiations at the level of the heads of the Georgian and Abkhazian governments are currently being conducted on this issue with Russian and UN mediation. But things have not budged an inch....

Of course, many mutual grudges and grievances have built up during the bloody war between Georgia and Abkhazia. But arrogance is not the best path to peace and concord.

For example, I have frequently heard that the Abkhaz have lists of those who fought against them. There is no way back for these people, they say. I have seen the following scenario too. Refugees have been coming back to the Georgian side again, across the newly restored bridge over the Inguri. Apparently they had forded the river to their native bank, but were sent back. I inquired what the problem was. They replied: The militia sent us back; you fought against us, they said.... The majority of these "fighters" are women, old men, and children....

In short, Abkhazia's official policy toward the refugees is being complicated by the stance of the local leadership, which sometimes interprets it in its own way. In principle, it allows what it wants.

"Those who fought against the Abkhaz," the refugees said, "themselves do not wish to return.... We fled not because we fought; we fled from death and from war."

Among local Georgians were also some, of course, who were conscripted by force and given weapons. Possibly they also included marauders, murderers, and rapists. But in any case, each case should be looked at thoroughly.

In short, the problem of the return of refugees here has become a Gordian Knot, a tangle of problems difficult to solve. But they must be resolved. And the sooner, the better. Otherwise peace and tranquillity cannot be restored to this land.

Tbilisi Police Disperse 200,000-Strong Crowd

LD1007152094 Moscow INTERFAX in English 1302 GMT 10 Jul 94

[Text] The Tbilisi police using batons dispersed the unsanctioned meeting of the republic's opposition forces which their leaders on Saturday night attempted to hold in the center of the Georgian capital, at Rustaveli Square. Over 10 people were detained, many people were injured. Among those detained is former Georgian foreign minister in the government of the former president Zviad Gamsahurdia, Georgiy Khoshtaria.

The organizers of the 200,000-strong meeting asked those present to go over to the Vake Park where the authorities permit holding such meetings. People held many portraits of late president Zviad Gamsahurdia. Like in 1991 people chanted nationalist slogans. However, this time people spoke more about uniting the ranks of the opposition "to fight the new dictatorial regime of Eduard Shevardnadze".

Addressing the meeting, the leader of the party for national independence, Irakly Tsereteli said that the opposition has enough force to win a victory over Eduard Shevardnadze and his Kremlin puppets.

The chief of the Tbilisi police force, Demur Mikadze, has told Interfax, that the police will not permit the destabilization of the situation in the city and the non- sanctioned meeting will be dispersed.

He also told Interfax that on Saturday afternoon, Tbilisi policemen detained Tsereteli and found in his car an automatic gun and a pistol. However, Tsereteli was released because he is a parliament deputy and has an immunity.

Abkhaz Leader Ardzinba Interviewed

PM0807100194 Moscow SOVETSKAYA ROSSIYA in Russian 7 Jul 94 p 3

[Interview with Abkhazian leader Vladislav Ardzinba by correspondent S. Shipunova in Abkhazia; date of interview not stated: "Cannonade from Ravine"]

[Text] Abkhazia—Russia's peacekeeping action, the need for which was spoken about for so long by all sides interested in resolving the Georgian-Abkhazian conflict has finally begun. How is it proceeding?

Recently I met again with Abkhazian leader Vladislav Ardzinba and here is what he said.

[Ardzinba] The population of Abkhazia welcomed the introduction of Russian troops normally, in the hope that the situation would finally be normalized and attacks by Georgia's military formations on our territory would end. But they continued throughout the period since the end of hostilities between us in September last year. For instance, an electricity line was blown up recently and all Abkhazia was left without light. The main threat now comes from the Kodor ravine where Georgian armed formations have remained all this time. They have constantly been dispatching combat equipment there and bringing in food and replacing people, that is maintaining combat capability. It is from here that they have regularly opened fire on our troops.

In brief, despite the fact that the war would seem to have ended nine months ago we still do not have peace and quiet. That is why the population of Abkhazia pins great hopes on Russia's peacekeeping forces, on the fact that with their aid hostilities will definitively be halted.

[Shipunova] Are these hopes justified with the introduction of Russian troops?

[Ardzinba] Unfortunately, the peacekeeping action began with blatant violations of the agreements which were signed by the sides in Moscow 4 April and 14 May this year. Thus it was agreed that when the peacekeeping troops were brought in Georgia's combat formations should be withdrawn from the Kodor ravine. This condition has still not been fulfilled.

A second element. According to the agreement a 12-kilometer zone is created on both sides of the river Inguri in which there should be no troops either, and there should be Russian troops 12 km from the border on both sides. What has actually happened? We removed our subunits from this zone but Georgia transformed several of its battalions there into police and left them where they were.

Another thing. On our side it was promised to deploy three RUssian airborne troops battalions but in fact they deployed two battalions, which cannot ensure that the border between Georgia and Abkhazia is closed, and it is 78 km long. Several posts were organized but there are several kilometers of unguarded terrain between each, across which people who are certainly not refugees can penetrate our territory freely.

[Shipunova] And before the introduction of Russian troops you controlled the entire length of the border with your own forces?

[Ardzinba] In practice yes. But that is not the only thing. On the other side, according to the agreement on peacekeeping troops, it was planned to deploy two Russian ground forces battalions from those which are still stationed on Georgian territory. In fact the battalions there were to a considerable extent formed from... citizens of Georgia itself—on a contract basis. I do not venture to judge how far this accords with Russian laws. But the result is that the Georgians themselves, armed with Russian combat equipment and weapons, are acting in the role of "peacekeepers." At the same time as on our side Abkhazians have been completely removed from the border. How are we to understand that?

[Shipunova] Indeed, it is incomprehensible. And how, with this disposition of forces on the border, is the movement of refugees proceeding?

[Ardzinba] The point is that there they are being let through unimpeded but here there are not enough forces to control their passage. Moreover, Georgia has mounted a propaganda campaign: If you come back, they are saying, Russian troops will ensure your safety. And the mass movement of refugees has begun, so far mainly to Galskiy Rayon. In the first days, according to our assessments, their numbers reached 10,000. This movement is utterly uncontrolled. We do not know who is coming across and why.

This is nothing other than an act of provocation, once again the most flagrant violations of agreements previously reached, in particular the agreements on refugees which state who can and who cannot return to Abkhazia. It should after all not be a case of a mass, spontaneous return which will lead to nothing except a new eruption of hostility. At this stage, when the the graves of the 3,000 killed Abkhazians are still fresh, when not all the parents have found their slaughtered sons, when the wounds of the thousands of maimed people have not been healed, and hatred for the enemy still seethes, there can be talk of the return only of civilians of Georgian nationality, only of those who took no personal part in the hostilities on Georgia's side, who do not have Abkhazian blood on their hands.

[Shipunova] And how in practice are you to distinguish between them?

[Ardzinba] There is a standard procedure in such cases. People who want to return submit an application and the Georgian side hands these applications to us and we examine them within the time needed for a check and we make a decision. But the talks on procedure are not yet ended yet the refugees are already coming.

[Shipunova] How can you tell if someone has fought or not?

[Ardzinba] It is very simple. In the past we managed to get hold of the lists of the Georgian battalions operating on Abkhazian territory which give not only the surnames, first names, and patronymics but also the addresses and barrel numbers of the weapons issued. In addition there is eyewitness evidence, reports from our special services, and all this taken together gives us grounds for deciding the fate of each refugee individually. Otherwise, I repeat, it would be impossible at this stage. Otherwise new clashes would be inevitable.

This procedure does not suit the Georgian side, it is not abandoning its hopes of regaining control of Abkhazia and it is to its advantage to use the presence of Russian troops to send a spontaneous flow of refugees to our territory, under cover of whom there are also returning to us the gunmen who were driven out in September last year, who have not come to terms with their defeat, and who have links here and know where weapons are hidden. How could this end? If the border is crossed by people who have been involved in the fighting that will lead to a resumption of hostilities, which we cannot allow.

[Shipunova] But are the peacekeeping forces on your side letting everyone through one after the other?

[Ardzinba] As far as I understood from talks with the commanders, the Russian military have no clear orders on this score. The result is that if someone from the other side is not driving into Abkhazia on a tank or running up with an assault rifle at the ready, he is let through as a civilian. Of course, it is not the military but the politicians who are to blame here. It is obvious to us that the Georgian side has received certain guarantees from some Russian politicians. Mr. Kozyrev even cut the ribbon on the bridge across the Inguri. What was he trying to say by doing that? That he was giving the green light to all those who want to enter Abkhazia? We will still not allow it.

The Abkhazian Supreme Council has adopted a statement protesting this rash and indiscriminate solution of the refugees problem. In turn I have sent letters with a similar protest to Major General V. Yakushev, commander of the Russian peacekeeping forces, and to General Videgor (UN observes group). We object categorically to this approach. It creates a new threat to Abkhazia's security and heats the situation among the population. As a result the situation in

Abkhazia from being more certain is becoming less certain, which ultimately could undermine trust in Russia's peacekeeping action itself. We would dislike that very much.

Kobalia Returned to Tbilisi Under Arrest

LD1007142094 Moscow INTERFAX in English 1302 GMT 10 Jul 94

[Text] According to a Georgian security officer, Loti (Vakhtang) Kobalia, who led the armed forces under Georgia's ousted president Zviad Gamsakhurdia, and his two bodyguards were taken to Tbilisi Saturday evening.

The three men left the plane only to be shoved into an armored personnel carrier and driven to investigation cells.

According to the source in Tbilisi, no journalists were allowed to cover the scene at the airport.

Loti Kobalia was detained by Ukrainian and Georgian security forces on July 6 in Kiev. He is held responsible for the creation of those paramilitary units which captured the cities of Poti, Zugdidi, Tsalendzhikha, Senaki, Samtredia and a few others, in western Georgia last summer.

The closest aide to Georgia's late president faces charges of state treason, hostage-taking, torture and other crimes. The armed opposition drove Gamsakhurdia out of Tbilisi in January of 1992.

Shevardnadze Rules Out Independence for Abkhazia

AU1207100794 Munich FOCUS in German 11 Jul 94 p 171

[Interview with Georgian President Eduard Shevardnadze by Anna Patricia Kahn; place and date not given: "First the Refugees"]

[Text] [Kahn] First the cease-fire with the Abkhazian separatists and now even Russian soldiers. Is this a defeat?

[Shevardnadze] We had not expected this to be a good solution. However, it would be a compromise to make the Georgian refugees' return to Abkhazia possible. This is enough.

[Kahn] However, the status of Abkhazia continues to be unclear....

[Shevardnadze] This will continue to be the case until the refugees return to Abkhazia. Only then will we negotiate.

[Kahn] Would you accept an independent Abkhazia?

[Shevardnadze] No! It is out of the question.

[Kahn] Many regard new ties with Russia and the permission to even establish Russian military bases as the abandonment of Georgia's independence...

[Shevardnadze] The question of the military bases has not yet been settled. However, I do not rule out that I will agree to a Russian nuclear base.

[Kahn] On what does this depend?

[Shevardnadze] On Moscow's policy in the Abkhazian conflict.

[Kahn] Is Georgia not viable without Russia?

[Shevardnadze] No country in the world can survive without economic integration, even less such a small state as Georgia, which was bound to Russia for more than 200 years.

Shevardnadze Weekly Interview 11 Jul

LD1107105394 Tbilisi Radio Tbilisi Network in Georgian 0608 GMT 11 Jul 94

[Interview with Georgian head of state Eduard Shevardnadze by Nato Oniani, in Tbilisi—live]

[Text] [Oniani] Good morning. We present an interview with the chairman of the Georgian parliament and head of state, Mr Eduard Shevardnadze.

Mr. Shevardnadze, talks on Abkhazia will resume in Sochi today. Certain forces have spread rumors that the Abkhaz peace process is about to enter a deadlock. To what extent are such claims true?

[Shevardnadze] Good morning. The Abkhaz process is starting now. New forces will join the existing peacekeeping contingent. The Abkhaz side also agrees that there is a need for such reinforcement—in fact, talks on this have already been held.

In the Kodori Gorge, there have been fairly successful talks with the local population, the volunteer unit commanders, and representatives of the other side which had armed units there. I think it was a good start. The fact that peacekeeping patrol units have already been deployed in that area is a guarantee for a good start.

Mr. Jaba Ioseliani and our delegation had rather interesting meetings in Sochi. Repair works on the Inguri bridge have finished and checkpoints have opened. Many technical problems have been solved. The problems that relate to the work of the UN High Commission for Refugees [UNHCR] seem to be merely technical at first sight, but in fact are very important. Forms which are necessary for the organized return of refugees have been printed and will arrive here in a few days. This is important because people who are to return will be able to receive funds and assistance from the United Nations. It all needs to be documented.

A new Security Council resolution is being prepared. Thus, it is not accidental that [UN special envoy] Edouard Brunner visited us and had meetings here and with the Abkhaz side. We are in permanent contact with Russian leadership, including senior Defense Ministry officials, the defense minister, his first deputy, and all those who are involved with this problem.

Therefore, saying that a crisis has started is out of place. Nevertheless, as it has been said more than once before, there is no doubt that there will be serious difficulties on this difficult road. However, we are all prepared for that.

[Oniani] Batono Eduard, as we have started our dialogue with the peacekeeping operation in Abkhazia, I would like to add that recently Russia has been quite active on the diplomatic arena and is gaining points for peacekeeping activities for, let us say, the process in Abkhazia, Bosnia, Yemen, etc.

The U.S. President, during his visit in Lithuania, above all else stressed the factor of Russia's role. And finally, at the G-7 meeting which ended yesterday, Russia was represented differently and had a higher status than it had at the previous G-7 meeting in Tokyo. What is going on? Is Russia changing and the world's leading countries are facilitating this, or is the world making a fatal mistake for the second time in connection with Russia?

[Shevardnadze] Before answering your question, I would like to say one thing. You have just mentioned the address of President Clinton in which he had stressed the Russian factor, and I welcome that he thought it expedient to stress this factor during his visit. In this connection, I would like to reiterate that the world has turned out to be unprepared for tackling those gigantic changes that have taken place on our planet over this decade, and especially those on the territory of the former Soviet Union, Europe, eastern Europe, etc. That is why the world public and the G-7 countries had not acted adequately to those events and changes that have taken place over this decade. I think that they comprehend it now, and they are getting closer to the model which had to be created earlier and for which they had to be prepared, although this model is far from being a perfect one. Procrastination has brought great sacrifice and suffering to the people. Many things could have been averted at the expense of at least carrying out bold economic actions and injections not only toward Russia, but to those countries which needed these measures. Well, there is no use crying over spilled milk. The Naples meeting is definitely a step forward, but quite a cautious one. Still, it is a step forward. We must hope that the countries of the former Soviet Union will not be left out of the sight of the G-7 or, if we may call it now, the G-8 countries. We are demanding this attention, and will demand it, and we deserve it, too.

[Oniani] Last week, a session of the Cabinet of Ministers was held and the forecast for the coming winter was not very promising. You said at the session that very shortly an English firm would start work on oil extraction and that at the extraction sites there had to be complete order; otherwise foreigners would not come to Georgia. You also said that if complete order were not established in ten days, the people who have been made answerable for it would leave their posts. What is the situation like now? The date for this expires on Thursday [14 July]. Will you have to keep your promise or has the situation changed there?

[Shevardnadze] First of all, a few words about getting ready for this winter. We have already worked out a program, and a special commission led by the prime minister has been set up. At my office, I may create a small group of specialists who will monitor the implementation of the decisions of the Cabinet of Ministers on this issue.

As for the oil deposits and their future, I have already stated my opinion about it. The data are pretty promising, and we may hope that, provided that the working conditions are normal, by the end of this year or the beginning of the next one we may find our own resources. These resources are of such vital importance for us and are so essential for our country. It will be a blessing at this stage even if as little as 100,000, 200,000, or 300,000 tonnes of oil are topped up to our resources. This would enable us to carry out at least agricultural work and other work which cannot be postponed.

Order must be established at oil deposits and oil pipelines. This process has started but is going very slowly. I shall not go back to this issue any more. I will simply release from their posts those people whom I have entrusted with a task and who will not be able to carry it out. The decision of the Cabinet of Ministers on this issue has been signed and the law has been adopted by parliament. All that is left is to hold responsible for their tasks the administrators, heads of police directorates of rayons, and prosecutors, or the deputy interior minister who has been entrusted with this task. Anybody—whatever ranks they may occupy, heads of oil extraction organizations—everybody will be made answerable with complete severity.

Generally, it is about time, as people say, the law came into effect. It is long overdue. Everybody must come to terms with this idea, be it a deputy, a minister or an ordinary employee.

[Oniani] Your have just said that there must be the rule of law. This was also mentioned at a meeting of law-enforcement bodies. You said in this respect that a new stage is starting. There are certain signs of stabilization, however, there is also a lot which needs to be done. You also said that there are no political prisoners in Georgia and that any commission or organization can visit Georgia. You said that they will see prisoners in hardship whom we often cannot feed properly but they will not see any political prisoners.

One of the former president's [Zviad Gamsakhurdia] supporters, Vakhtang Kobalia, has been arrested recently and there are already rumors that he may also be released from prison, as were others.

[Shevardnadze] I can reaffirm what I said at the recent meeting that there are no political prisoners in Georgia. Once again I would like to invite any commission, be it an international commission or one made up of representatives from individual countries, to arrive here and study the situation. We will provide them with all documents. They will be able to meet prisoners. They will become convinced that this is a slander to Georgia.

Meanwhile, those who wish to present murderers, terrorists, saboteurs, and traitors of the state who fought with arms for the disintegration, destruction, and dismemberment of the country as political prisoners are probably worried about their own sins and that these sins will be exposed. The main thing for us is to shed light on everything. We should be able to see all faces of everything. We have forgiven and pardoned many people and we may need to do so in future. However, now the truth must be said about everything, we must shed light on everything and everybody must get what they deserve.

Not only Loti Kobalia will be answerable before the law [pauses] I am sure he will be answerable before the law judging by what we know about his personal deeds which constitute enough sins for a thousand people. There are many people who are worried by all this and they should be worried. Those who did not sin against the country should not worry. Those who did, those who sold their conscience and traded their country will, of course, sooner or later be answerable before the law.

[Oniani] And now the final question. Opposition parties staged two rallies last week. May I ask you why it was that the law was not enforced on 7 July and why was it enforced on 9 July? What I mean is that the Mayor's Office has designated certain places for holding rallies. Nevertheless, the unauthorized rally on 7 July was allowed to proceed, while on 9 July the police sealed off the area. Finally, what is your assessment of the incident involving physical abuse against three journalists on that day?

[Shevardnadze] During recent meetings with heads of law-enforcement bodies and regions—I mean the meeting two days ago and the one before that—I announced that the governors of rayons and towns and the relevant state structures would be given all rights they need to establish order in their towns and rayons. They should not be violating the law. When dealing with rally organizers, they should not be violating the law either. There is an appropriate piece of legislation which was adopted at the time of the Supreme Council. It lays down certain procedures.

Encroaching on the freedom of the press is outrageous and I condemn such incidents. Whenever it happens it is inadmissible.

At the same time, the police were right to send away [opposition National Independence Party leader] Irakli Tsereteli, who was armed with a machine gun—at least, that is what I have been told—and his driver, who were in a car with a dubious registration number. The police are still to find out from where he got that car.

Parliament has adopted a firearms law. How is it going to work when certain parliamentarians appear on the streets armed with machine-guns and hand grenades, and are surrounded by bodyguards who are not necessarily straight individuals and who use their rather good position to harm the people?

The police are to enforce the rules laid down by the law. That is what is required of the police.

Regarding the rallies which were staged recently, I think they are an anachronism. I should say directly that the people are laughing at their organizers. They are living by an old calendar and in an old time and are using old portraits—mothball portraits—and old slogans. Their heroes also remain almost the same. I do not think that this issue deserves special consideration. I said at yesterday's meeting that the authorities and people should be engaged in work. Work will save the country. Still, there are some people whose hearts belong to the street. What can you do about it when old habits die hard?

[Oniani] Thank you for the interview.

Shevardnadze, UK Ambassador Discuss Relations

LD1207101294 Tbilisi Radio Tbilisi Network in Georgian 0700 GMT 12 Jul 94

[Text] Eduard Shevardnadze, chairman of the Georgian parliament and head of state, has met Sir Brian Fall, ambassador extraordinary and plenipotentiary of the United Kingdom of Great Britain and Northern Ireland to Russia and Georgia. The talks covered the current political and economic situation in Georgia and developing relations between the two countries.

The head of state said that, despite signs of stabilization, there are still difficulties in the economy, especially the energy sphere. Speaking about the peace process in Abkhazia, the head of state stressed the importance of enhancing the role of international organizations in this process. Eduard Shevardnadze stated that Georgia will actively develop relations with Europe, in particular the European Union, with which a partnership and cooperation treaty would be concluded in the future.

Sir Brian Fall said during the meeting that the British Government will continue to play an active part to allow Georgia to receive the assistance which was discussed in Eduard Shevardnadze's letters to European Union leaders.

It was stated that the issue of establishing a Georgian Embassy in Great Britain would be examined in the near future.

The Georgian head of state expressed satisfaction at the British Government's support for Georgia, especially in the peaceful settlement of the Abkhaz conflict.

Plan To Attract Investments in Oil, Gas Viewed

LD1107165194 Moscow INTERFAX in English 1517 GMT 11 Jul 94

[Text] Georgia intends to attract more foreign investments in projects for the exploitation of oil and gas sites and the construction of underground gas storage facilities on Georgian territory. This decision was made by a meeting of the state coordinating commission for attracting and using foreign investments and credits presided over by Georgian leader Eduard Shevardnadze in Tbilisi last week.

According to the chairman of a department of the state-run oil- extracting and processing concern Gruzneft, Revaz Tevsadze, officials from the concern as well as those from leading companies from the U.K., U.S. and Australia carried out extensive research which revealed vast oil sites on the republic's territory. To exploit the sites and construct storage facilities, "large investments are needed, that is why the establishment of steady ties with foreign creditors plays an important part," Tevsadze pointed out.

At present, several joint ventures set up with British, American and Australian companies are prospecting for and extracting oil on the Georgian part of the Black Sea continental shelf.

The meeting pointed to the need to create a legal basis for the protection of investments and to speed up processing legislative documents.

In addition, the meeting decided to organize the protection of oil extracting and transporting installations following illegal siphoning off and processing of oil which has become very widespread recently. Officials maintain two thirds of oil produced in the republic is wasted. About 400 enterprises are illegally producing oil products.

Estonia

Meri Rejects Yeltsin Human Rights Accusations

LD1207092294 Tallinn Radio Tallinn Network in Estonian 0600 GMT 12 Jul 94

[Text] President Lennart Meri has rejected the accusations presented by Russian President Boris Yeltsin about human rights violations in Estonia. Lennart Meri stated that dozens of missions have visited Estonia in order to check the human rights situation on the ground. He was surprised that Boris Yeltsin is unwilling to normalize relations between the two states.

As is known, Boris Yeltsin stated during the G-7 meeting in Naples that Russia will not be withdrawing its troops from Estonia by 31 August because Russian speakers' rights are violated in Estonia. Yeltsin also stated that he promised Bill Clinton that he would have a meeting with Lennart Meri in order to dicuss the problems of the two states. Lennart Meri hopes that the parties will resolve their problems at a bilateral meeting; the Russian troop withdrawal from Estonia, however, must take place without any additional conditions. Lennart Meri stated that Estonia is now expecting proposals for the meeting from Russia.

Defense Ministry Says 3 Russian Units Remain

WS1107104894 Tallinn BNS in English 0839 GMT 11 Jul 94

[Text] Tallinn, July 11, BNS—Russia is reported to have three of its military units still stationed in Estonia, all located in the country's capital, Tallinn, or in the surrounding Harju region, officials at the Estonian Defense Ministry said. Russia's 144th infantry division, also referred to as military unit no. 12129, still has military camps under its control in the Tondi region of Tallinn, as well as in Klooga and Keila, both to the west of the capital.

Defense Ministry officials in Tallinn told BNS the division continues to take out its property from Estonia. It is reported to have some of its tanks and artillery still in Estonia.

Most of the division's technical equipment was taken out from Estonia in late autumn 1993. For last December only, the command of the division applied for 80 transport permits from the Estonian authorities. A total 16 trainloads of military equipment including 96 vehicles and 1,800 tons of property left the country in December. In November, eight trainloads of equipment of the 144th infantry division reportedly consisting of 57 vehicles and 2,800 tons of property left Estonia. A total some 1,000 servicemen were reported at the Russian division in Estonia in December.

The naval unit no. 56190 at Paldiski is mainly engaged in guarding and service of two nuclear reactors at the former submarine crew training base in that small town some 35 km to the west of Tallinn. The same unit is also to engage in dismantling the rectors, work on which is expected to start soon. Another naval unit, no. 10717, is the local Russian naval headquarters located in Kaarli Avenue, downtown Tallinn. The Defense Ministry has no exact data at its disposal about the number of staff in those units.

Australian Foreign Minister Visits, Signs Agreement

LD0807174594 Tallinn Radio Tallinn Network in Estonian 1600 GMT 8 Jul 94

[Excerpt] Australian Foreign Minister Gareth Evans met President Lennart Meri, Prime Minister Mart Laar, Foreign Minister Juri Luik, and Social Affairs Minister Marju Lauristin in Tallinn today. Evans is the first member of the green continent's [Australia] government to visit Estonia since the country regained its independence.

Evans told a news conference that both bilateral relations and general political issues were discussed at his meetings. The foreign ministers, Luik and Evans, signed an Estonian-Australian agreement on economic and trade cooperation. It was decided to begin to draft agreements on mutual investment protection and on avoidance of double taxation, with the development of effective economic relations serving as a precondition for these agreements.

Australia supports the Russian troop withdrawal by 31 August and has promised to help Estonia to gain membership of GATT, the international tariff organization. Luik introduced to Evans the idea of the formation of the Baltic peacekeeping battalion, although, as yet, there was no direct discussion about Australian assistance toward the formation of the Baltic peacekeeping battalion. Evans added that the very active Estonian community in Australia plays a big role in the relations between Australia and Estonia. [passage omitted]

Latvia

Application To Join NATO PFP Program Prepared

LD1107201894 Riga Radio Riga Network in Latvian 1900 GMT 11 Jul 94

[Text] The Foreign Affairs and Security Committee of the Cabinet of Ministers has prepared a document for NATO about Latvia's participation in the NATO Partnership for Peace [PFP] program, Justice Minister Egils Levits reported today. On 18 July, Prime Minister Valdis Birkavs is due to present this document at NATO headquarters in Brussels. Levits said that Latvia is one of the first countries to present this document to NATO. The first part of the document expounds the general political stance, testifying to our country's interest in collaborating with NATO, and that Latvia will strive to take part in all its commissions.

At present, Latvia is functioning in its consultative council. The part of the agreement on military cooperation provides mainly for cooperation in the exchange of information and that Latvia will become part of the NATO communications network. It also provides joint maneuvers by NATO and the Latvian defense forces, and the participation of NATO observers in maneuvers by the

Latvian defense forces. The agreement also provides cooperation with the NATO Scientific Council, which is due to give Latvia assistance in solving ecological issues at former Russian Army sites. The agreement provides cooperation in the creation of the Baltic peacekeeping battalion. The agreement also has 11 appendices containing information for NATO on the structure of the Latvian defense forces.

Committee Approves Ukraine Military Agreement

LD1107211494 Riga Radio Riga Network in Latvian 2100 GMT 11 Jul 94

[Text] The Foreign Affairs and Security Committee of the Cabinet of Ministers approved on 11 July an agreement between the ministries of defense of Latvia and Ukraine on cooperation in the military sphere. This document is due to be signed during the visit of a delegation from the Latvian Ministry of Defense to Ukraine, which starts on 12 July.

Lithuania

Gylys, Turkey's Cetin Hold News Conference

WS1207111794 Tallinn BNS in English 1823 GMT 11 Jul 94

[Text] Vilnius, Jul 11, BNS—Lithuanian and Turkish foreign ministers, speaking at a joint press conference in Vilnius Monday, expressed mutual support for efforts to develop wider regional cooperation between countries around the Black and the Baltic seas.

The press conference was held after Turkey's Foreign Minister Hikmet Cetin, his Lithuanian counterpart Povilas Gylys and Transportation Minister Jonas Birziskis signed a package of bilateral treaties. Lithuania and Turkey concluded agreements on friendship and cooperation, investment protection and promotion, cooperation in education and culture, visa exemption to persons travelling with diplomatic and official passports, a consular agreement, as well as accords on road and air transport.

"I have signed many treaties, but never seven at a time," Cetin said during the signing ceremony. He later noted that the friendship and cooperation treaty retains the spirit of a similar accord signed in 1930, but is also filled with present-day realities.

Both foreign ministers emphasized that some 150 Turkish businessmen, representing 60 firms, are expected to take part in an exposition, which opens in Vilnius next week.

Lithuania expects wide economic cooperation from Turkey. "Possible participation of Turkish capital in the reconstruction of the Klaipeda ports and, maybe, the building of the Butinge oil terminal is under serious discussion," said Gylys. The Lithuanian minister told reporters that efforts are made to interest Turkey in the Via Baltica highway project, which is expected to bring Europe's north, south and central part closer together.

Cetin and Gylys said they both expect much productivity from regional cooperation.

The Turkish minister said 11 Black Sea states, whose population is around 300 million, have already established successful cooperation. The process started two years ago when these nations created the Black Sea Cooperation organization and later founded a regional cooperation secretariat, a parliamentary assembly, etc. Poland has an observer status in the Black Sea economic region.

Minister Gylys said the Baltic Sea region has a similar potential, however politics prevailed in Baltic cooperation until lately. In Gylys' view, economic matters are already getting more attention. Cetin said both regions should exchange observers. Gylys added that Lithuania welcomes Poland's initiative to bring the Black and Baltic sea regions closer together.

The two ministers said their discussions in Vilnius did not focus solely on bilateral relations between Turkey and Lithuania. Cetin and Gylys also exchanged views on the situation in the former Yugoslavia, the Middle East and other regions. Cetin said his country sees good security guarantees in NATO's Partnership for Peace program, which he called the first step toward full-fledged membership in the alliance. Asked whether Turkey can coordinate actions with other countries to achieve reduction of troop strength in the Kaliningrad region, Cetin said his country would like to see "more flexibility" in implementing the agreement on Conventional Forces in Europe.

As reported, Lithuanian officials earlier quoted Russian Defense Minister Pavel Grachev as saying that Kaliningrad's demilitarization would be carried out faster if Norway in the North, Turkey in the South and Lithuania would coordinate their demands to reduce Russia's military presence near their borders.

In Cetin's words, such problems should be resolved in cooperation with international organizations such as NATO and the Conference on Security and Cooperation in Europe.

The Turkish minister arrived in Vilnius Monday. During his one- day official visit, Cetin met with Lithuanian President Algirdas Brazauskas, Prime Minister Adolfas Slezevicius and Lithuanian lawmakers. On Tuesday, Turkey's top diplomat leaves for Riga and Tallinn.

Sign 7 Agreements

TA1107184594 Ankara TRT Television Network in Turkish 1700 GMT 11 Jul 94

[Video report by Eriz Oktar in Vilnius]

[Text] Hikmet Cetin is the first Turkish foreign minister to visit the Baltic republics since the Soviet Union collapsed in 1990. The first leg of his tour is Vilnius, the capital of Lithuania.

Cetin was received at Vilnius Airport by Lithuanian Foreign Minister Povilas Gylys. From there, Cetin laid a wreath on the graves of those who were killed in the independence war against Moscow in 1991.

Then the delegations of the two countries, headed by their respective foreign ministers, held official talks. After the talks, Cetin, Gylys and Lithuanian Transportation Minister Jonas Birziskis singed a total of seven agreements.

The agreements foresee the mutual encouragement and protection of investments and cooperation in the fields of education, science, culture, and sports. The other agreements are on the friendship and cooperation, consular affairs, visa exemption for official passports, air transportation, and maritime issues.

The two foreign ministers held a joint news conference where Cetin said that a Turkish Embassy is opening in Vilnius that will serve the three Baltic republics. He pointed out that the agreements signed with Lithuania constitute a legal basis for the development of bilateral relations. He said: In parallel with the commercial relations developing with Lithuania, a large number of Turkish businessmen will visit Vilnius for the Turkish exports fair in four days.

Cetin said that Turkey is pleased that Lithuania joined NATO within the framework of the Partnership for Peace Agreement.

The Lithuanian foreign minister said that they had been waiting for Cetin's visit for some time. He pointed out that there is great economic potential between the Black Sea and Baltic regions. He stressed that the Black Sea Economic Cooperation Project and the Baltic Council must cooperate economically.

Cetin was later received by the prime minister and president of Lithuania. Cetin will go to Latvia tomorrow where he will sign a friendship and cooperation agreement.

Brazauskas Comments on Dialog With Russia

LD1207092094 Moscow Mayak Radio Network in Russian 0800 GMT 12 Jul 94

[Text] Lithuanian President Algirdas Brazauskas has stated that Lithuanian-Russian dialogue is proceeding normally. At present, the president said, the leadership of the republic is examining the general regulations applying to military transit through the territory of Lithuania which all countries will have to observe. Mr. Brazauskas thinks that Russia is ready to accept Lithuania's conditions.

Meanwhile a rally on the theme of "no military transit for Russians" organized by the right-wing national opposition took place in the capital of Lithuania. The action was initiated by the Conservative Party, the Homeland Union, the Democratic Party of Lithuania, and the Lithuanian National Union.

Correspondent Suggests Arson Cause of Dish Fire

LD0907185594 Warsaw TV Polonia Network in Polish 1730 GMT 9 Jul 94

[Text] In Vilnius, the satellite dish relaying to Lithuania the programs of the Polish TV Polonia has been destroyed in a fire. The police do not preclude arson. The private Lithuanian station Baltic Television immediately started transmitting on the vacated channel.

[Correspondent Wlodzimierz Sochacki] The fire consumed around 200 square meters of the roof of the relay center. The Lithuanian police claim that the cause of the fire might have been accidental, but this nonetheless does not rule out the possibility that the fire may have been started deliberately.

In May of this year, an agreement was signed between Polish Television and the Lithuanian broadcasting center envisaging the relay of TV Polonia programs three times a week. The satellite dish was supplied and erected by the Polish side.

From the start, the private Lithuanian station Baltic Television, which broadcasts on the same channel 38, protested the agreement. It demanded the best antenna time for itself on a daily basis, wishing to push the Polish programs into the late evening hours. At the initiative of Baltic Television, the matter was referred to the courts, and a hearing is scheduled to take place on 27 August.

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